The Money Manipulators

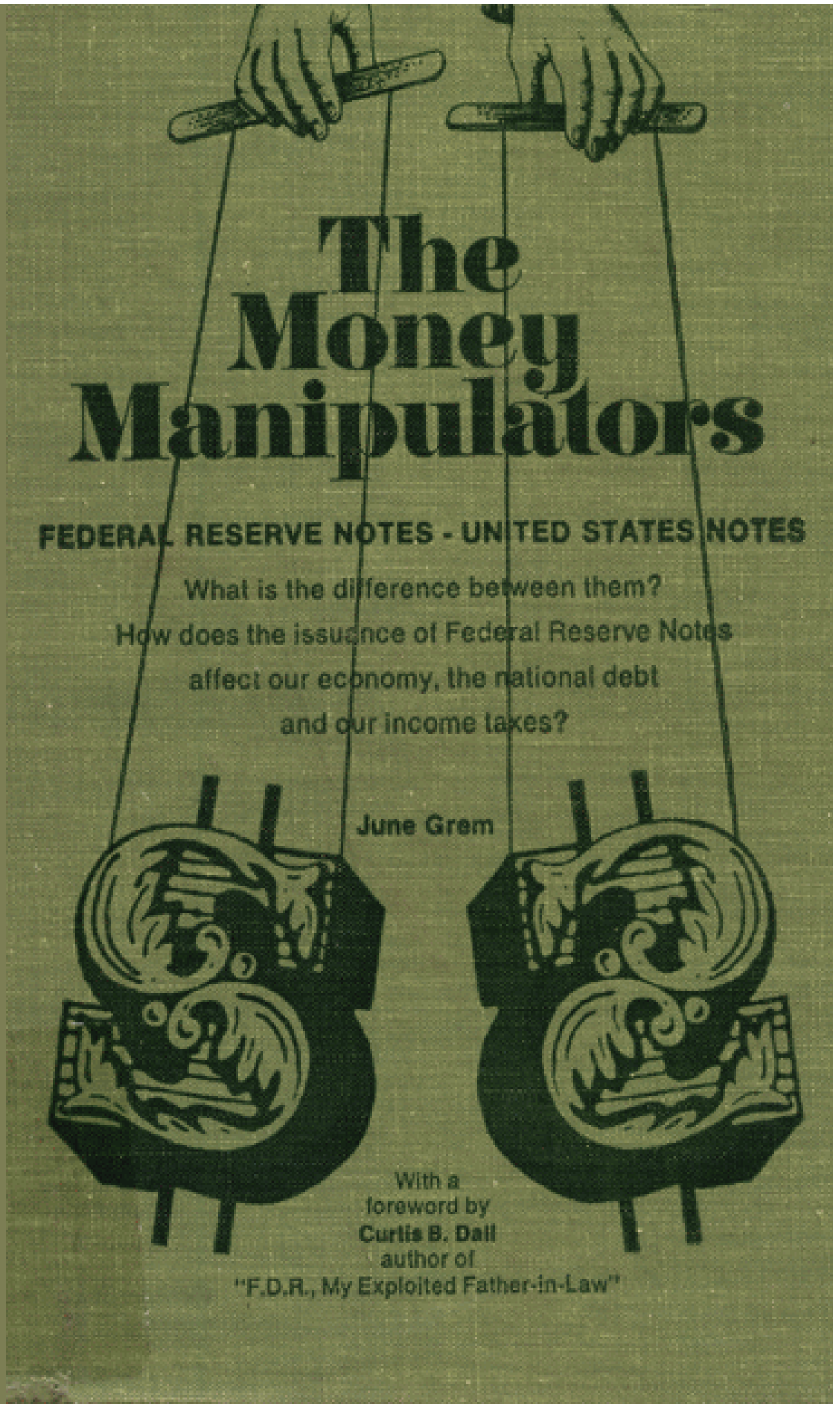
FEDERAL RESERVE NOTES — UNITED STATES NOTES

What is the difference between them ?
How does the issuance of Federal Reserve Notes affect our economy, the national debt
and our income taxes ?

June Grem

With a foreword by
Curtis B. Dall
author of
“ F.D.R., My Exploited Father-in-Law ”

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Dedication

To Mr. Wycliffe B. Vennard, Sr.

Like Saint Paul, he has fought the good fight. If constitutional government and an honest money system are ever restored to our nation, few will ever realize how much they owe to this gallant and courageous man.

Foreword

It is a pleasure to write the introduction to *The Money Manipulators*, a penetrating, courageous book, written by June Grem. Soon it will become a valuable item on library shelves throughout the country in reference to the subjects of money, money quantity, money control, the Federal Reserve Bank System, shadowy international money operations, the subversion emanating from some large tax-free foundations, the United Nations' cruel hoax, millionaire socialists with political stooges placed in high government posts, and our ponderous, inequitable income tax structure. All of these are surrounded by vast deceit at great cost to unsuspecting and victimized Americans.

Hence, it is appropriate to recall the 14th chapter, 8th verse of First Corinthians, which observes : "For if the trumpet give an uncertain sound, who shall prepare himself to the battle ?" Certainly, for the last three hundred years, many leading "trumpets in our Western world have been emitting dubious and uncertain sounds. Why ? To confuse many of us by creating a misleading image in history and in the press, to serve their long-range objectives. That objective is sought by a few individuals to acquire most of the world's wealth and power with great suffering by the many ! Having been successful for a long time in this nefarious operation conducted against mankind, that pattern of success must, of course, be well concealed from the people. This step has been carried out by acquiring control of the press, radio, television, numerous publications, in fact, nearly all the media of communication, so as to mislead and hide their sinister intent.

Often "these few" pose, hypocritically, as generous philanthropists, presidential advisers, social uplifters, civil righters, and vocal champions of the downtrodden masses ! But, all the while, they are covertly attempting to further downtread the same uninformed masses. They aim for you to believe that black is white, that right is wrong, that all "change" must be constructive !—accomplished by their dutiful puppets in the press !

Recall the apt expression : "Whose bread I eat, his song I sing !" Without deceitful image-making, supported by the media of communication, the planners' game, or long-range conspiracy, would have been disclosed long ago, and terminated ! When that does happen, real progress will promptly ensue for the great benefit of all of us.

To introduce this fine book is exhilarating—to be afforded an opportunity to applaud such a valuable work representing, as it does, a real contribution to truth and to well-rounded education, not to the meandering indoctrination technique which we have hovering all about us, serving its ugly purpose. That purpose is largely aimed at our splendid Constitution, our family, our young people, to confuse and distort the basic elements of our Western culture, which have given to this country its lofty spiritual background, its fine aims, its initiative coupled with hard work, that has

made our country great ! That is, up to now ! Therefore, *The Money Manipulators* should be read, re-read, and studied by all thoughtful, educated citizens !

Although most of my fellow Americans and their families are deeply concerned and vaguely aware that all is not well in our "Ship of State," regretably, many of them do not wish to become disturbed in their present role of day-dreaming, and seem inclined to imagine for themselves that there are still "two chickens in every pot." Actually, the "two chickens" have long since been "fricasseed," and even "the pot" has recently disappeared ! Therefore, the time is ripe for informed, aggressive *action* on your part—*today* ! Clearly, unless one knows *where the enemy is*, and *what he looks like, how can he be destroyed ?* This step is necessary if we are to survive as a friendly people, enjoying liberty and freedom—not suffering the sodden, assembly-line type of slavery planned for us by the glib, deceitful Fabian Society adherents, or the one-worlders with their international-minded money lords standing close by !

The timetable for aggressive action by the people is short ! Later on in this book, George Washington is quoted : "Government is not eloquence, it is not reason. Like fire, it is a dangerous servant and a fearful master."

Ask yourself, just *who lit* this great "fire"? *Who* ? May I add that our government is not, and can never be, "Santa Claus" for long—or "Big Daddy" ! It couldn't be a "Big Daddy" for a moment, unless it neatly acquired by vast taxation nearly all of the coins and folding money that you, good reader, have in your pocket and lock-box ! The many big-money puppets festooned about us in high government posts and in our Congress, represent; for the most part, not "We, the people," but the hidden few ! They are the *servants* of one-world money. *You* pay dearly for the Federal Reserve Bank System, for all the brightly termed welfare projects, for all the glibly described "Foreign Aid," and for the horrendous United Nations *fraud*, which is merely a new business gimmick set up to enrich a few high-level bankers and their one-world power programs. Has anyone ever beheld the U.N. creating *peace* ? (the alleged purpose of its un-Constitutional intrusion upon us) Certainly not ! The U.N. has *had* its long, deceitful day ! It must be terminated ! This would then pave the way for a real people's forum throughout the world to replace this self-serving bankers' forum gnawing at our Constitution !

Yes, you and I are paying for all of that, especially for our expensive monetary policy, *firmly managed* by the *privately owned* and *controlled*, fractional reserve, central bank of money issue, deceitfully called the "Federal Reserve Bank." It controls its many members and keeps them firmly "in line." Inform yourselves—for your own best interests, and the suitable survival of our culture for those who follow you ! Knowledge is *power*, lack of it spells *destruction*!

In the pages that follow, you will find much of value ! When put together, the resulting "mosaic" presents a true picture of how we have been and *are being* covertly led down the "primrose path" of Socialism to financial ruin—all of us.

Unless this down-grading, treasonous influence of numerous one-worlders in our midst is firmly checked, to restore morality, religion, solvency, and free enterprise, none of us will *survive unscathed*

from this imminent, carefully planned *disaster* !

I will now conclude my comments with a salute to the author of this timely book, a fine, patriotic work, an important contribution to the Forces of Light bravely confronting the Forces of Darkness !

Curtis B. Dall

Washington, D.C.
January, 1971

Preface

It must be apparent to every thinking person that something is very wrong in the United States. Chaos, crime and revolutionary activity are mounting everywhere. Inflation continues to erode the value of the dollar and our constitutional rights are being systematically stripped from us. In the midst of a nation which is capable of creating abundance, we are faced with a situation where over ninety per cent of the wealth of the nation is controlled by less than one per cent of its citizens. We are continually told by press, pulpit and politician that the solution to these problems lies in more and more government intrusion into our lives. If this socialization or "governmentization" were the answer, we should have seen some lessening of the problems by now. Yet the exact opposite has happened.

To further confuse the issue, the revolutionists scream for the overthrow of "the system." Yet the overthrow of "capitalism" would establish Communism, which is what our government has been fighting for years. Or so we are told. If we examine the facts more closely, however, we will see that no Communist nation exists today. Communism is that idyllic future paradise wherein the state will wither away and mankind will exist in perfect peace and harmony. Communism is the bait—Socialism the goal. Most of the governments on earth today are either partly, or totally, Socialist. Even the USSR calls itself the Union of Soviet Socialist Republics. If Communism doesn't exist, obviously we can't fight it. But Socialism does exist, and the United States is rapidly moving into the orbit of total Socialism, which is government control of all facets of human life. It appears that we are actually establishing Socialism under the guise of fighting Communism.

None of the Socialist nations, including the United States, are truly prosperous. Why then should anyone want the establishment of a system which strips the people of their freedom and establishes permanent poverty as a way of life ? The purpose of Socialism is the establishment of a ruling elite which will enforce its political fanaticism on the entire population by whatever means necessary. If life in Socialist (Communist) countries were desirable, we would not see a continued exodus of people who are able to escape. Furthermore, if Socialism were a desirable goal, why should such

cunning and secrecy be needed for its establishment ?

We must conclude, therefore, that the true purposes of the ruling powers is the concentration of power in the hands of the few. The rights of other citizens will be ruthlessly crushed and all opposition destroyed. When this has been accomplished on a global scale, we will see the world government emerge, and the hidden hands, who have manipulated the world revolutionary movement, will then become masters of planet Earth. This vast power, which has been concentrated in the hands of these international manipulators, has come from the ones most of us least suspect—the international banking fraternity, which has succeeded in usurping the issuance and control of money in most of the nations on earth. It is this group which has engineered and financed the Bolshevik, Communist, Socialist and splinter movements for centuries. The stage is now being set for their total global take-over.

But the people cannot solve a problem until it can be isolated and identified. Because of the frantic propaganda and mind conditioning to which we have been subjected, few people today even remotely suspect the real causes of our dilemma.

It is hoped that this book will give the reader a historical perspective into the origins and development of these forces, an insight into how they may be identified, and a plan for the reorganization of society based on a new concept of economic freedom and political structures.

J.G.

Chapter I
SOME HISTORICAL PERSPECTIVES

Power tends to corrupt, and absolute power corrupts absolutely.
—LORD ACTON

For centuries mankind has been exploited, plundered, coerced, robbed, murdered, tortured and forced into wars and servitude by his greatest natural enemy, GOVERNMENT. The bondage which has characterized the lives of most people throughout history has been one of famine, poverty, oppression and tyranny. On the other hand, the rulers have always occupied the highest level of attainment which that particular society could offer. They ordered and the people obeyed. They taxed and the people paid. They raised armies and the people marched. Mankind has generally been governed without reason or restraint while the ruling classes secured their positions of exploitation by making themselves as exempt from their own rules and regulations as possible.

The acceptance of the concept of governmental authority has seldom been questioned, even in societies where a moderate degree of enlightenment prevailed. People have always regarded the existence of this coercive force as necessary, although some may regard it as a necessary evil. Even in the United States today, as dissatisfaction with the role of government mounts into an increasing crescendo, people glumly accept the notion that "somebody has got to run things." We never consider why we permit a group of strangers who don the questionable mantle of representatives to vote thousands of ideas into laws which bind us legally, contractually and ideologically and sometimes physically, into serflike pawns of their creation.

From the time the first cave men roamed beyond the protection of the cavedominium, the leader-exploiter type emerged. Thug represented the predecessor of his later counterparts who used such beguiling terms as monarch, king, emperor, keeper of the faith, lord or president. By his nature, Thug was eminently qualified for his role. He had the supreme egotism and confidence that all his Thugterutterances were correct and would operate "for the good" of the cavedominium dwellers. As time went by, with the help of his associates, no one dared question his authority. It would have meant expulsion from the cave community—and with dinosaurs and a more hostile environment being the only alternative, Thug was certain that his little community would accept his wisdom with growing appreciation. Thug found instant companionship. Mug was the logical choice to head up the committee of cavemen who were most adept in the use of clubs to coerce other neighboring cavedwellers. Ug was probably the most appropriate choice for the enforcement of the dictates of Thug. Ug liked not having to outwit the dinosaur population of the area and preferred remaining on good terms with Thug. He thus became Thug's assistant. Mug stayed in the cavedominium and kept the women and children in line.

As Thug and his committee roamed around and overcame opposition in the area, the group branched out. As time went by, these clan-type communities enlarged into tribes. But within every

group the same scene persisted. A small minority obtained control of the tribe by whatever means necessary. Opposition was swiftly eliminated and gradually customs developed which became fixed mores and traditions. Over a period of decades and centuries, these ideas became a stratified and an accepted part of the cultural scene. From the earliest time, elimination of opposition, coercion, reprisals and thought control have been the chief method of obtaining and maintaining power. Even in primitive African cultures today, the witch doctor exercises tremendous power over the minds of tribesmen. It is he who invokes the wrath of the gods or dispels their anger. He may curse or cure—and he has been known to invoke such high feelings of guilt in an accused that the frightened victim imposes voluntary abandonment of his tribe, often seeking his own punishment or death by self banishment.

From primitive groups to ancient civilizations, the government was the unquestioned seat of authority. Often the political leaders would work together with the religious hierarchy of the community to wield a tighter control over the activities and thinking of the population.

To have questioned the authority of the leader was unthinkable. He was the seat of wisdom. It was he who wisely ruled the group and represented them in inter-tribal negotiations.

But as the political leaders collaborated with the religious leaders, they evolved a system of totems and taboos which were sufficiently awesome to keep the people in line. Obedience to the ruler was often indirectly enforced through the use of dietary and other prohibitions by subtly including them as a part of religious doctrine.

There have been many varieties of governments in the historical spectrum, but the basic concept of authority with its attendant privileges and power has remained a part of man's thinking throughout history. Even in such apparently enlightened times as modern 16th century Europe, the concept had been expanded to admirable degrees. The people were now told that the rights of the king were divine. A second section of the message included the clause that if they had a bad king it was punishment for their evil deeds. The obvious inference was to spur the countrymen on to a noble and sacrificial life so that the heir apparent might be an improvement on his sire. This might be called the granddaddy of the "class guilt" concept now being peddled by certain criminally-prone revolutionists who seem to combine the evil qualities of compulsive pyromaniacs with wholesale genocide.

The means whereby the power structure maintained authority over the population were varied. They ranged from King Herod's edict to kill all male infants under two—with the precautionary view of eliminating any possible regal rivals—to such other persuasive measures as imprisonment, torture, seizure of property, banishment—to name but a few.

There have been attempts to limit the power of the throne, some successful, others abortive. In 1215 the Magna Carta was signed, which enabled the rebelling nobles to obtain certain rights and privileges which the crown had previously retained exclusively for itself. The nobles had now wrested from the crown the rights of inheritance and bequest, but these provisions did not apply to the common folk who still existed in the status of vassals. The common man was not permitted to

question orders issued by the nobility and it was never even considered within the remotest of possibilities that he had any rights. His life and labors belonged to the lords and masters. If he were allowed to own anything at all, it was with the consent of the ruler.

It is interesting to note that in British Common Law the concept was deeply established that "the king could do no wrong." This meant that government could inflict wrongs on people without any attendant responsibility for them. In short, the government could not be sued or held accountable for its acts, no matter how disastrous the effects might be on the victim. In later centuries this was modified to mean that the king (government) could be sued, but with the clear understanding that it was only with its consent. We find a counterpart of this doctrine in modern-day jurisprudence on such seemingly trivial things as the immunity of legislators, judges, etc. in the performance of their official duties. This dates back to Lord Coke's ruling in 1608 which granted such immunity to the traveling circuit judges and their legislative kinsmen. Thus judges and lawyers enjoy a particularly advantageous position, and this may be one of the reasons why so much weird and frightening "legislation" makes its appearance on all governmental levels. Even today a lawyer is exempt in many states from traffic violations, if he can prove that he is on his way to court. Nor are lawyers solely privileged in this respect. The elected "representatives" on national, state and local levels may legislate merrily away while the citizen victim exists without redress—regardless of the nature of such official plunder. How can civilized societies permit such discriminatory inequities to continue ? Obviously, one of the most efficient tools that people could invoke would be to strike down this antiquated privilege of lawmaker doctrine and hold them accountable for their official acts. These sanctuaries of exploitation will not be relinquished easily, but if our enslavement against the tyranny of the few is to be achieved, we must recognize this old privilege and immunity doctrine for what it is and eliminate it entirely. If government as an institution is permitted to continue, both the elected and appointed must serve the citizens and be held strictly accountable to the people for their official acts.

In 1643 an English judge, one David Jenkins, gave an interesting twist to the divine rights of kings doctrine. He asserted as his authority that the Bible confirms the direct appointment of King David and Saul by God himself. This led the good judge to add the presumption that cabinet ministers appointed by the king were endowed with these same divine virtues of wisdom. Therefore, only they should have the right and power to rule.

Feudalism began in the 8th century, but by the 11th century it was beginning to decline. As the power of individual feudal lords decreased, feifs were consolidated by conquest or contract and, gradually, stronger nobles managed to obtain large tracts of territory. By the time of the Renaissance, many kings had managed to obtain control over very large areas of land. During the Feudal period a system of escalated military authority had developed wherein the ownership of the land remained with the sovereign. It was he who made grants of lands and certain rights to the lesser nobility in exchange for a bond of duty and fidelity. A pyramid-like relationship existed, with the king or highest noble at the top. This structure was supported by the nobility, clergy, artisans and peasants on a descending scale, with the peasants forming the base of the pyramid.

During the Middle Ages the rulers were not as autocratic and powerful as later, because their territorial domain was limited and they were still dependent for their existence on the agricultural countryside. Also they were not able to maintain armies and often had only a handful of knights. As commerce developed, a growing bourgeois class sprang up in the towns who often challenged this nobility. Often wealthy middle class merchants occupied positions of considerable authority in town governments. But while some limitations were placed on the nobility, the lot of the masses remained much the same. Any challenge to the nobles merely redistributed the power structure into a few more hands. The government maintained as much control over the affairs of the nation as it could safely impose, and those who managed the affairs of state did so with the same disdain for the citizens characterized by all rulers who are responsible to no one but themselves or their small inner circle.

Toward the end of the Middle Ages, stronger rulers emerged who had been able to consolidate their power. It was now that the doctrine of the Kingship of the State was developed and taught to the people. Under this theory the king represented the head of the state, the knights and nobles the arms, the Church the heart, and the peasantry the feet. The king was the seat of authority and it was often difficult for even the nobility or clergy to resist his power. The peasants had no voice in the affairs of state, and had very little to say about their own lives. Their lot was hard and their lives were filled with hard work and poverty.

Although conditions varied from place to place, similarities in the conditions of the serf existed. His life consisted largely of working the land, and in many areas he owed as many as 165 days of labor to his lord. He was not free to leave the manor without permission. He could own no land and was without the right of inheritance or bequest. In some instances his daughter was not free to marry without the permission of the feudal master.

As the centuries passed and the modern state began to develop, the ideal sequel to the Kingship of the State doctrine found its way into official thinking. These notions were now elevated into the divine rights of the king concept, which virtually meant that to challenge the king was to challenge God. The heavy hand of the state was always present and the almost unchecked power of the monarch increased with the consolidation of power and territory. The king exercised as much control over the affairs of the nation as he could. Those who managed the fortunes of the nation were free to engage in political and economic loot, start wars at will, plunder the victims of defeated nations, and live in arrogant luxury.

With the advance of trade and development of scientific and philosophical ideas, there was more resistance to the unrestricted rulership of the sovereign. Therefore, limitations began to be placed upon his powers. By the 17th century most of the European nations had varying degrees of constitutional government, yet most of the peasants were still regarded more as property than people. However, the growing group of bourgeoisie had representation in parliaments and councils and enjoyed a greater degree of freedom. The aristocracy were intensely outraged that this class of prosperous merchants had arisen and could now enjoy some of the cultural and material benefits formerly monopolized by the ruling classes. The middle classes were scorned and ridiculed, but

reluctantly accepted. Even today there is an intense propaganda drive to discredit middle class attitudes. "Aristocrat" money-funded revolutionary propaganda has made the bourgeoisie a detestable class. The Russian Revolution almost wiped out the bourgeoisie, which was one of its primary aims, thus leaving the aristocratic revolutionary leaders unchallenged. The ancient ideal had again been achieved. A handful of powerful overlords could now rule a nation of "peasants and workers" with unchecked abandon.

With the establishment of the United States an entirely new concept was witnessed in the history of governments. A constitutional republic was established whereby the power of the government was severely limited by strict constitutional restraints. The people were now regarded as the ultimate source of power, who could elect a president and legislative representatives, accountable to those who had elevated them to office. The concept was new and daring, but the ever present aristocratic totalitarians still believed that the average man was incapable of thinking for himself and thus needed the "protection and guidance" of their more elevated minds. These same factions began to chip away at the infant republic before the ink was dry on the Constitution. The entire 19th century saw a seesawing back and forth between the factions of wealth versus the people. The monied interests wanted a monopoly on the potential assets of this robust young nation and began a plan for consolidating their domination through the route of money and banking. Today we are witnessing the climax of this battle of vested money interests versus that of the people—and to date, the money crowd has total control of legislative halls, commercial enterprise and the economic fortunes of our nation.

During this period of ideological struggle in the 19th and 20th centuries, we are witnessing a new twist to this old con game. They now cloak their nefarious activities in the phony doctrine of the revolt of the downtrodden masses so that a "dictatorship of the proletariat" can be established. Who will control the proletariat isn't revealed. To any thinking person, a dictatorship of any kind should be repugnant, but by eulogizing the "mandate of the masses idea," these weird notions have been made palatable to the unwary. Such 19th century beatniky types as Karl Marx and the criminals Lenin, Stalin and Trotsky were promoted by certain millionaire banking interests to incite class hatred and foment unrest. By encouraging rebellion and the overthrow of constitutional governments, this group planned to establish their dictatorship of the proletariat's "aristocratic representatives," with the real rulers hiding behind the familiar faces of their subsidized assassins and political puppets.

By the time of the Russian Revolution the money pool had become so powerful that they were able to affect the course of almost every European nation. By manipulating the propaganda output and carefully selecting and training agents, a few well-placed conspirators could often insinuate themselves into positions of power. The money pool had unlimited funds and thus was able to recruit many naive and unsuspecting idealists into their cause. They also attracted criminal types who saw an opportunity for political leapfrogging into positions of power and wealth. Many of these questionable characters are now leading political figures.

Their spadework was well done and it should be apparent to anyone with eyes to see that the

United States government no longer makes any pretense of representing the people. Governments at all levels continually pass legislation which is directly opposed to the best interests of the citizens and which is detrimental to the welfare of our nation. We are now faced with the age-old dilemma of wondering what to do about a government which rules without reason and which is interested only in perpetuating its own power. What we have been witnessing in Washington and in all state governments for many years is the continual phasing out of constitutional rights and the illegal usurpation of more and more power in the hands of government. These Socialistic policies are officially presented as humanitarianism, but with the ever mounting array of dictatorial orders from Washington, the "humanitarianism" becomes more and more inhumane and the motives more questionable. The ultimate aim appears to be the establishment of a world dictatorship under the control of the millionaire elite and their accomplices. This will give the organizers of "the new world order" effective control of the resources and population of the entire planet Earth.

If we can learn no other lesson from history, it is that the more centrally powerful a government becomes, the more it is to be feared. Government has never been a friend to mankind. Nor is it now. The same old tactics of exploitation, deception, war, taxes and tyranny now represent what Washington officially calls domestic and foreign policy. The power grubbers cloak their evil deeds behind an aura of high-sounding phrases and manipulate the thinking of the population through their clever use of propaganda. The withered slogans of the divine rights of kings has been updated into such secular verbiage as "general welfare" or "public good" or a duty to serve the government (rulers). If their goal of total world government is achieved, they will have more concentrated power than any group of people in the history of man.

This outlandish situation has been allowed to develop because "our Congress" in Washington allowed it to happen. Centralized global power will be realized when control of all armed forces is consolidated under the command of one dictator-commander. This has largely been achieved now by the passage of Public Law 87-297, in 1962. This illegal "law" transferred the armed forces of the United States to the United Nations Command. We now have undeclared wars because Congress has transferred sovereignty to the United Nations and its Security Council, thus completely abrogating its constitutional duties.

We can now see a complete circuit, from the tyranny of ancient rulers, to the downfall of the Roman Empire, the ushering in of the Middle Ages, which saw a fragmenting of the power structure and drift into small, weak units. When the governments became strong again, the tendency was to consolidate power as quickly as possible into the absolute rulership of the few. Constitutional restraints were effective for a time, but the power-hungry mob continued its assault against civilization and used every ruse to divide, exploit, control and deceive, all for the purpose of reestablishing a global Roman Empire with the latter-day Caesars at the helm.

Escalation of government power always diminishes the rights of the citizens, and unless the present trend toward concentrated global conquest is reversed, the people of the United States will face a future of serfdom. It matters little whether the official title is president, prime minister, chancellor or commissar. The net results will destroy all human liberty, and the horror of Orwell's 1984 will

become a grotesque reality.

We may decry the forces of international money which are the silently-guiding hands behind the scenes, yet we must remember that these forces could never have ascended to this role of world mastery without the aid and comfort given to them by the politicians of many countries. It was through treason, treachery, bribery, blackmail and other forms of "normal" political conduct that these criminals were able to achieve their present position of power. It would appear that the men of government have retained a remarkable uniformity throughout history. They have continued the age old custom of extracting tribute from those they govern by making deals with a more powerful enemy in order to maintain their position of privilege. These misdeeds are represented to the people as inevitable, heroic and necessary. In our present situation, the powerful enemy is the international money pool, which is the real, though invisible, government of the world.

Man's greatest natural enemy,—government, is reestablishing its ancient tyranny with characteristic disdain for the citizen victim. In a study made by Professor Pitirim Sorokin of Harvard University, which was released in December of 1956, he found that rulers are the most corrupt people in the nation. Regarding the criminality of rulers of various nations throughout history, one of the conclusions reached was that "the rulers of the states are the most criminal group in a respective population," and that "with a limitation of their power their criminality tends to decrease; but it still remains exceptionally high in all nations."[1] Rephrased we may say that the worst criminals in history come from the ranks of those who had vast government authority (force) behind them. For this reason, cunning and ambitious men are attracted to government because its inherent police power gives them the opportunity to rule the lives and property of others !

George Washington was aware of the nature of government when he said : "Government is not eloquence, it is not reason. Like fire, it is a dangerous servant and a fearful master."

"It is the tragedy of all collectivisms that the most unscrupulous and most ruthless member is most likely to rise to the position of leadership, certainly when leadership means power. The organization of vast political power and its successful retention in a single hand is more likely than not to put a premium upon qualities which we commonly associate with the 'big shots' of gangsterism."—*Odyssey of a Fellow Traveler* by Dr. S.B. Matthews (New York City : Privately published, 1938).

Yet some portion of the world has had a taste of freedom. Thinking people everywhere know it is fast slipping away. They also know that in a constitutional form of government, the elected officials are presumed to be the servants of the people. In a tyranny they are the masters. Observant Americans also know that the people have lost all control of their government and that our nation stands alone in a hostile world, betrayed by those who did not serve her, despised by foreign nations whom she has served so well; feared by millions of its citizens. We are now disarmed and in danger because of the purposeful dismantling of our armed might—tottering on the brink of economic disaster, with civil turmoil mounting everywhere. This is the legacy that Washington has given the American people.

Clearly those who have brought our nation into its present chaotic condition are unfit to rule. They are unfit to be even tolerated. These enemies of America must be replaced by men who respect human freedom and will be willing to reconstruct a constitutional republic out of the shambles of our present Socialistic tyranny.

But more than anything else, Americans must begin to understand the economic and historic forces which have brought us down to our present plight. Only then will we learn how to build a society based on reason, economic abundance and peaceful prosperity for all. But most of all, we must make certain that no combination of forces will ever be able to gain such illegal and outlandish control over mankind again. To make certain that these sinister manipulators will be removed from their monied thrones, their control over the issuance of money must be ended forever.

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1 *Review of the News* (Belmont, Mass.: Correction Please ! Inc.) December 31, 1969.

Chapter II
ORIGINS OF OUR MONEY SYSTEM

The only thing a government can do to a problem
is to make it insoluble.
— AUTHOR

The problems of the world today are multifaceted, but if a single factor could be isolated which might be said to have contributed more to our dilemma than any other, it would probably have to be considered money. We are beset by inflation, repressive and discriminatory taxes, wild and unchecked government spending, erosion of all values on the economic, educational, religious and social fronts. Yet a single thread winds through these multiple woes. It is the sinister manipulation of the nation's economy by a small group of anti-American, privileged, multi-millionaires. Many of our citizens have too little money, and a very few have too much. In order for the government manipulators to continually increase their power, they remind the less affluent of their plight and promise solutions in the form of government spending. This involves money which must be obtained somewhere. This money is stolen from the productive working and middle classes and squandered on useless, unproductive programs which are only designed to increase government power. If government spending were the solution, certainly some improvement would have been evident after so many decades of this pretended cure-all. Government interference will never solve the problems of poverty, inflation, crime, poor education etc. It only multiplies them. Government intrusion in all these areas has only intensified problems and complicated matters. Legislators are attempting to treat symptoms instead of the fundamental malady, which is an unconstitutional and archaic money system which permits the wealth of the nation to be controlled by a handful of monetary manipulators.

Although everybody uses money, very few people have any understanding of its nature. Most people think of money in terms of coins and paper notes of varying denominations. To call money a medium of exchange or measure of value is to define its function—not its nature. Actually money is anything people will accept as money,—from coins to credit cards, from checks to trading stamps. The subject of money has often been a source of confusion to people throughout history. Because of this basic lack of understanding, a few wily money-wise manipulators were able to obtain control of its issuance for entire nations. This group now controls the money-issuing power of all the large, industrial nations of the world and also directs the multiple banking organizations of the United Nations. The chaos in our World's monetary systems is a result of the lack of understanding by government officials of the nature, purpose and functions of money. This lack of understanding enabled the money pool to bribe legislators, judges and government heads to do their unscrupulous bidding, always cloaking their activities in secrecy and an aura of legality.

Our modern money system has its origin in the Middle Ages. It is for this reason that a brief

review of this period is necessary in order to give us a better insight into how our present, privately-owned money cartel developed and what steps we can now take to correct these evils and restore the nation to a constitutional and sound money system.

Throughout all recorded history, some form of exchange has been used. Everything from shells, animal teeth, stones, feathers, iron bars, wampum, tobacco, metal coins, commodities and even playing cards have been used. The Romans used a form of metal coinage which was accepted through the ancient world. Some of those Roman coins were still in use in the Middle Ages in Europe, although often they had been melted down and recast.

With the final disintegration of the Roman Empire, Europe reverted to a purely agricultural state. The only wealth consisted of the land and its products, and everybody lived directly or indirectly off the land. Roads fell into disrepair and the imposition of tolls on travelers by towns only tended to add to the burdens of the little commerce that existed. At the end of the 15th century there were 64 tolls on the Rhine and 77 on the Danube in lower Austria alone. Because of the bad condition of the roads, travel was mostly by horseback or light, two-wheeled wagons. It is easy to see how transportation of large items was impossible as larger wagons became mired in mud or broke wheels in the deep ruts. The difficulties of land travel led to the increased use of waterways, and it was along these routes that the great towns developed in later centuries.

Although towns did not completely disappear during feudal times, they lost their importance and remained largely centers for the administration of Church affairs. A small local market existed within the town to which the peasants of the surrounding areas brought their produce. This was largely consumed by the clergy of the cathedral and various churches and the serfs employed by them. After the dissolution of the Carolingian Empire (768), the old city walls were no longer sufficient protection against the frequent raids and invasions. This led to the construction of fortified castle; to which the surrounding population fled during attacks.

These castles, or burgs, were occupied by the noble family, and a garrison of knights and servants. The villains were required to construct and maintain the castle fortifications. Barns, graineries and bakeries were set up within the castle to receive the farm supplies which the peasants were required to bring in order to feed those who lived in the castle. The main characteristic of the Feudal period was that the great estates now functioned as self-supporting units.[1]

In the earlier Feudal period, life centered around the manor and most of the trading was carried on by barter. Produce was traded on the spot for other needed items. But as the towns began to grow in importance, more food and other items were needed. This necessitated a modification in bartering habits and brought about an increased need for money.

The Crusades were responsible for the stimulation of trade, and a definite increase began around the second half of the 10th century. Traders would make their appearances in towns or often stop at the castles along the water routes for supplies. Often they would congregate in the towns and, when the limited space in the towns was overrun, they moved to the outskirts. With this growing population artisans were attracted to the towns and it became the center for economic activity.

While the aristocracy remained on the land, the towns became the hub of activity for the mercantile class.

Bad roads and tolls were not the only hazards to be faced. Bandits and highwaymen roamed throughout the countryside, and this caused many of the merchants to travel in caravans. Packhorses and wagons were protected by men on horseback armed with bows and swords. But in some areas, as the princes became stronger, they gave these merchants their protection and were pitiless in their punishment of robbers. In later centuries it was not necessary for the trader to travel with his goods as he was now able to hire factors or agents. It was also during this period that foreign branches were established for the large commercial and banking houses in the more important centers of Europe.

Another interesting aspect of the economy of the Middle Ages were the fairs. Unlike the purely local markets, the fairs were conducted periodically and attracted professional merchants. Articles of every description were brought to these fairs by merchants who traveled great distances. The Champagne fairs of the 12th and 13th century were perhaps the most famous, and attracted traders from all over Europe. The Champagne fairs took their name from the area in France where they originated. By the 1120s the Champagne fairs were considered to be the money markets of Europe. At these fairs such items as spices, wool, silk, silver jewelry and art objects, wine and foodstuffs were merchandised.

One of the most important developments resulting from the fairs was the establishment of a system of credit. Debts were settled among the merchants—who often had done business with each other at other fairs. It is from these simple hand-written promises to pay that a complicated system of bills of exchange was later developed. A debt incurred at one fair could now be paid at another place.

As the towns grew in importance, the amount of money in circulation increased. This caused a rise in prices of the commodities and brought about a higher standard of living. As commerce spread, new articles were introduced and luxury items began to make their appearance. For centuries it had been the custom for the peasants to pay their dues to the lord in kind, but with the advent of higher prices in the 12th and 13th century, many nobles could not maintain their previous standard of living. Tradition would not permit a raising of the rent in proportion to the rising value of the land, and as a result, many nobles went into debt, and eventual ruin. An interesting aspect of this economic squeeze was the modification of the serf system. It had become too expensive to maintain numerous serfs on unproductive land, so many were enfranchised by paying for their freedom. Furthermore, a few dozen serfs making textiles, farm tools or wine within the manor could not compete successfully with the artisans of the town, and the habit of attempting to maintain this inefficient method of production fell into disuse.

Another factor contributing to the decline of the seigniorial system was the small degree of specialization which developed during these centuries. Since the manors no longer had to depend on themselves for all their food, they concentrated on growing the products best suited to the area. Although the feudal population was largely non-mobile and illiterate, another effect of the growth

of commerce was the necessity of keeping records. In the 12th century some towns began to establish schools for the children of the bourgeoisie who were trained largely for commercial activities. Latin was the language used for the commercial correspondence, and it is interesting to note that "the advance of education appears to have been intimately connected with that of credit, and the example of Italy shows that the further credit was developed, the more rapid was this advance."[2]

The position of the serf during feudal times did not differ greatly from that of people living under Socialist regimes today.

FEUDALISM	SOCIALISM
1. Serf bound to the land. Could not leave without permission of the lord.	1. In Socialist countries people may not move without consent of a government bureau.
2. Serf could not own land.	2. Except in special instances, people may not own land.
3. No right of inheritance.	3. Except for minor personal items, no right of inheritance.
4. No right of bequest.	4. Again, except for very unimportant personal items, no right of bequest.
5. Told where to work and under what conditions.	5. Told where to work and under what conditions.
6. Often could not marry without consent of lord.	6. In planning stage—government will determine who will marry, number of children they may have, etc. This will be called population control.
7. High taxes in the form of mandatory payments to lord in kind.	7. High taxes a form of enforcing economic servitude.
8. Had to grind his grain and bake his bread on lord's premises for which he paid a fee.	8. Obliged to deal only with government in all transactions as it owns everything in nation.
9. Knights only were allowed to bear arms.	9. Except for thcse authorized by government, no right to own firearms.

The Roman Empire had retained strict control over all money issues during its years in power and these coins were accepted in Asia, Africa and Europe. Between the 9th and 12th century, most of the barbarian kingdoms used Constantine's gold solidus as their monetary standard. This coinage (stamped with their king's imprint) was acceptable throughout Europe and even in North Africa. The Norman and Saracen invasions, however, put an end to this ancient coinage and for several centuries trade virtually ceased. Silver was substituted for gold during the reign of Pepin the Short (751-768) and has continued for centuries to be used as money. It was only after the fractional reserve goldsmith bankers established their power over money issuance that silver and gold became used as "backing" for money rather than as a circulating medium in themselves.

The Carolingian dynasty used a silver monometalism, although they allowed some occasional striking of gold coins. The state reserved for itself the sole right of coinage in order to keep the

weight and alloy of its coins standard. After the collapse of the Carolingian Empire in the second half of the 9th century, silver was retained except in the lands under Byzantine rule, which retained gold.

During this period of confusion, many feudal lords quickly usurped the right of coinage, and the weak kings occasionally granted this sovereign function to some of the churches. The whole business of government was essentially in the hands of the Church from the 9th to the 11th century. As a result of the confusion, the number of coins multiplied and there was no effective control over their weight and fineness. Often the money was "called down" and the princes would remelt the coins and add an alloy which would reduce its value. Any money made by the transaction was pocketed by the prince. At one time there were over 300 Capetian vassals (feudal lords) who were issuing their own coins. By the 13th century, the Charlemagne pennies had been so debauched that they were no longer silver but almost black in color. The discovery of silver mines in Freiburg in the 12th century relieved some of the shortage of silver, but it was not until the 15th century, with the production of silver in Saxony, Bohemia and other areas, that silver coins appeared in greater quantities.

The right of coinage had been retained by the king in England and they enjoyed a relatively better quality of money than on the Continent. While the kings considered the coinage privilege a sovereign right, they also considered it a source of revenue and never hesitated to debase it for their own gain. It seemed that the more important money became to the economic life of the community, the more frequently the king would resort to these tactics.

By the latter part of the 12th century the currency problem was so disorganized that reform became imperative. It was in 1192 that the doge of Venice issued an entirely new kind of coin called the groat. The new groat was equivalent to the Carolingian sou and the rest of the system retained the scale of coinage, but with an altered value. The groat was quickly accepted by the mercantile class. As a result France then followed suit by issuing a coin which had a higher value than the groat. This gros tournois circulated along with the groat throughout Europe and achieved the rank of an international currency.

Spain began to coin gold in 1312, followed by Bohemia in 1325 and England in 1344. With the use of the groat, the gold coins and the gros tournois, monetary circulation became more stable than previously. But even with these reforms, the general tendency on the part of ruling princes was to devalue the money by debasing it and giving it an arbitrary value.

Banking operations in the Middle Ages largely consisted of loans made by merchants. Many of the great banking empires of later centuries had their origins in these early money-lending merchants. The Church also provided another source of revenue. During periods of economic hardship and famine, the Church permitted the local goldsmith to melt down some of its treasures in order to make a circulating medium available. The Church, however, was always scrupulous to faithfully obey the laws of usury. Loans could also be obtained from pawnbrokers, but they charged extremely high rates of interest and were usually resorted to only if other sources for money proved unavailable. By the 13th century, the Italian bankers had gotten a virtual monopoly on banking in

areas north of the Alps. Their interest rates were often astronomical—often running as high as 50 to 100 per cent, if they felt a client was very risky. The general interest rate for solvent clients, however, was about 10 per cent.

Evidences of borrowing from the merchants has been recorded as early as 1160, but by the 13th century many of the nobility were deeply in debt to these individuals. Towns also borrowed from the merchants, and even on occasion the Church made loans from them.

The confusion of the Middle Ages regarding money persisted into the 16th and 17th centuries. In 1492 America was discovered by Columbus and this opened up a new area of trade and commerce. The Spanish were mainly concerned in the exploitation of the gold treasure which they found, with the Crown always retaining a substantial portion of the spoils for itself. With the opening up and settling of the colonies in North America, trading companies developed and prospered—the East India Company being one of the most important.

It has been estimated that the amount of coin in Europe at about the time of the discovery of America "did not much exceed in value one pound, or $5.00 per capita."[3] Although there was little money in actual circulation, the invention of coining machinery increased the output of coins greatly. If a workman turned out coins by hand, only 40 or 50 per day could be produced, but with the invention of the laminating-mill and screw-press, several thousand coins could be turned out per day. These machines were used in Spain as early as 1548 and in Italy during the latter decades of that century.

By the 16th century the goldsmith had become a leading factor in his community. In addition to his duties as a skilled artisan, he could offer safekeeping for jewelry and other valuables. When these valuables were deposited, a receipt was issued to the depositor. These receipts now began to circulate in the community as they were more convenient to use than coins.

Since the goldsmith was the craftsman who created beautiful jewelry and expensive art objects out of precious metals and stones, his importance in the community became greatly enhanced. As time went by, the goldsmiths became financial advisors and court bankers to the king. They were also willing to perform many functions which would increase power and control within the court circles. They assisted the king in the collection of taxes and also assumed many duties in connection with the contracting and paying for goods and services utilized by the court. Additionally, the prince was usually short of money, so a new relationship developed-that of debtor prince and creditor banker.

It was inevitable that the more dependent the king became on the banker for money, the more control these financial advisors were able to exercise. The court banker was also aware of the aristocratic snobbishness on the part of the ranking nobility, and their disdain for intrusions on their time by either tasks or ideas which did not come within their courtly circle of approval. Thus the court banker made certain that the king would have only misinformation on the subject of money. He was made to believe that money could not be issued without gold or other metals acting as collateral and that only the goldsmith—who controlled the gold—could issue money. The

king was too busy with his courtly duties to review the lessons of history or to study the money issuance of previous civilizations, which had reached a high degree of success, all without benefit of gold backing or a fractional reserve method of issuing only a certain percentage of notes against the gold in the bankers vault.

The goldsmith was the custodian, not the owner, of the valuables left in his possession. The receipts which he issued for this property consisted of a promise to return these valuables to the owners upon demand and surrender of the receipt. But the goldsmith bankers found that only about ten per cent of the people redeemed their valuables, so they now began to issue up to ten times more receipts than there were valuables on hand. This gave them added lending power and also enabled them to earn high rates of interest on nonexistent property. Loans were also made to other borrowers, and collateral was demanded for all receipts (money) which were loaned. This is where the idea of fractional reserve banking began. And this is why the idea of "gold backing" has been so dear to the heart of the goldsmiths and fractional reserve bankers everywhere. It enabled them to issue and loan money (receipts) on property which he did not own and often which did not exist. Additionally, he now demanded collateral of those borrowing from him and if payment were not made, he wound up owning the property which had been used as collateral. He started out with property which was not his own, issued receipts (money) in amounts larger than the valuables in his possession, and received huge amounts of interest thereon.

Unfortunately, the sovereign usually had little knowledge of money and relied heavily upon these same men who posed as experts. The idea of the sovereign right to issue money was forgotten and the king now became dependent upon a private citizen who issued money for the government. The king was led to believe that no money could be issued without gold or other metals acting as collateral, despite the fact that only ten percent of the money circulating was actually covered by the deposits of other people's property.

When we analyze the method whereby the goldsmith bankers were able to pyramid profits we can see how outrageous this fractional reserve method of banking is. Let us suppose that the more conservative goldsmith only loaned out receipts (money) to the extent of five times the gold or valuables left in his possession. (Most of them preferred the ten to one ratio.) Let us presume Mr. Five Percenter would issue receipts against 5,000 ounces of gold, taking collateral from the borrower and also charging six per cent interest (or six ounces of gold) per year. At six per cent interest on every one hundred ounces of gold against which paper currency was issued, he would receive three hundred per cent return (300 ounces of gold) per year. "Thus in three years and four months, the debt money which he owned would amount to as much as the total value of the gold which people had stored with him !"[4]

The same situation persists today. Not only are we confronted with the outrage of the private issuance of money by the octopus Federal Reserve Bank, but we face the further privateering engaged in by commercial banks which literally create money out of nothing. When Mr. Average Citizen wants to borrow money from a bank, he is usually given a credit to his account. This is merely a bookkeeping entry by the bank and does not represent actual money. It was created out

of thin air and when the loan is repaid, that particular money is destroyed. It is this fractional reserve goldsmith type of banking which is causing the American people to groan under our present tyranny of debt and interest payments.

We can immediately hear the hue and cry of the people who have unwittingly accepted the argument of the fractional reserve goldsmith money pool that the only good money we can have in the United States is that backed up by gold. At one time the Federal Reserve Notes were backed by 60 per cent gold and 40 per cent commercial paper. Later this ratio was inverted to become 40 per cent gold and 60 per cent commercial paper. In more recent years the gold requirement for the domestic dollar has been removed completely, while an alleged gold backing remained for international creditors who might prefer the yellow metal to the dollar. If we accept the idea that gold or silver may function as money, we are simply following a practice used for centuries. But in this situation, the gold or silver itself was the money. Gold or silver coins may still be an acceptable form of money and there is no reason why the Mint cannot manufacture them for those citizens who wish to use this form of currency. But the idea of having gold buried in a vault represented by circulating paper is one which developed in the 13th and 14th centuries with the goldsmith bankers. By accepting the idea that money must be "backed by gold" we must agree on a percentage ratio of gold versus circulating paper. If we adopt the goldsmith's traditional 10 per cent reserves, we can immediately see that 90 per cent of the circulating medium is unbacked. Thus the cry that we will have fiat money (*e.g.* money unbacked by metallic specie) applies not only to the constitutional issuance of money but to gold-backed money itself. Ninety per cent of the "backed" money is in reality unbacked by gold and, therefore, unredeemable (or fiat money). Thus 90 per cent of such a currency is valueless from the standpoint of the redemptionists. Do we want such a situation to represent our national currency ? Our money should be 100 per cent good and should not be redeemable in anything at all. Money is a circulating medium and is merely a representation of the total wealth of the nation. When we describe money as a medium of exchange we are really defining its function but not the nature of money itself. Because of the wide variety of things which have been or can be used as money, it might be defined as anything that people will accept as money. It need have no intrinsic value in itself but must be readily acceptable by all members of the community or nation. It should be issued into circulation by the government (not borrowed from private individuals or corporations) and should be totally debt (interest) free. If a worker contributes $200 per week toward the gross national product through his labors, he should be entitled to $200 worth of pay, with no interest deducted payable to the privileged plunderers who have extracted the money-issuing power from the government. With the issuance of money tied to the productivity of the nation, there could never be a shortage of this necessary item. This is one of the most sinister of the powers of the money manipulators and one which has caused centuries of poverty, wars and panics. When enough people understand the total simplicity of money, they will no longer tolerate political hacks who pass legislation favorable to the money manipulators. When the traditional sovereign right of a nation to issue its own money is restored, our world will have made the right pivot into a new realm of productivity and prosperity undreamed of at the moment except in the imagination of the science fiction writers. This can be our inheritance. Are we to

continue to let the predatory criminals, who wish to enslave all mankind through their control of the world's money, continue to misrule our planet Earth ?

The power which the banking cartel now wields grew out of this era of goldsmith and merchant banking. Because all the crowned heads in Europe continued generation after generation to borrow their money into circulation from these private interests, the base was broadened into North America, Asia, Africa and South America. We now face the unhappy prospect of continuing to pay more and more tribute in the form of bonded indebtedness and taxation to this small group of monetary vampires.

The most notorious of the goldsmith bankers was Meyer Amschel Bauer, who later changed his name to Rothschild, meaning Red Shield. He was born in Frankfurt-am-Main, Germany in 1743, the son of a merchant. Meyer was a shrewd money manipulator, and before long he had become financial agent for many wealthy nobles. He also became the court banker for Frederick II, as well as his business agent. He had five sons and each one of them followed the father's footsteps in the banking business. The eldest, Anselm Mayer remained with the Frankfurt house. Solomon Rothschild went to Vienna, Nathan to Liverpool, Karl to Naples and Jacob to Paris. The Naples branch was discontinued after the annexation of Naples by Italy in 1860 and the Frankfurt branch was closed for a time by Hitler during World War II. However, it is again functioning, and has been since shortly after the end of World War II.

One of Meyer Rothschild's most profitable early non-banking activities yielded him a profit of $3 million which he received from George III of England for supplying mercenary troops at 8 pounds each who were sent to the Colonies to slaughter the colonists during the American Revolution. In fact, "The Earl of Chatham and his son William Pitt (1759-1806) both denounced the policy of the international Money-Barons in regard to the Colonies prior to 1783. Young William Pitt was chosen by King George III to be Prime Minister because he convinced the King the money-lenders were involving European countries in wars to serve their own selfish purposes."[5] Wars have always been a favorite source of revenue for the Rothschilds, and they made a fortune out of the Napoleonic wars. They also made a financial killing on the peace by getting advance information on the outcome of the Battle of Waterloo through the use of carrier pigeons.

The merchant bankers really began in Genoa, Venice and Florence, where banking had become a relatively sophisticated business by the 14th century. The Medicis and Fuggers were among the early merchant bankers of this period. During subsequent centuries merchant bankers began to make their appearance in other areas of Continental Europe. One of the earliest of these were the Barings who established a London branch in 1763. These early merchant bankers had usually been merchants long before they became bankers. They had traded in endless varieties of merchandise throughout the world for decades and gradually evolved into the more specialized field of financing the trading. At first the early merchant bankers handled the entire transaction themselves, but later they found it more profitable to use factors and agents who carried on the actual trading. Many of these early transactions were handled through the use of bills of exchange. These merchants took some risks but they also made enormous profits. "They financed the Napoleonic Wars and later

financed the peace; they were both war and peace profiteers."[6] They developed an espionage system throughout Europe and often knew more about the events within a nation than the king or cabinet.

Projects which have been financed by these banking houses have been varied—from the financing of American railroads in the 1840s to the 4 million pound loan to the British government to enable it to buy the Khedive's stock in the French Suez Canal Company. Cities and nations came to borrow from these money lenders and the fate of many a crowned head often rested in their hands. King's and their representatives fawned over the bankers to curry their favor in order to obtain a loan.

Among such other exotic enterprises which have been financed over the years were spices, gold shipments, cotton, tobacco and silk trading. However, it was not until after the Napoleonic Wars that The City (London) became the financial center of the world. The early role of money lender had now evolved into a complex system of international finance. So powerful was the influence of these banking houses that they were even able to force several nations on the gold standard. Naturally, they controlled the gold.

The Barings opened their London bank in 1763, but before that time they had operated a smaller place which had been established in Exeter in 1717. Other powerful banking institutions included the Hambros, the Rothschilds and S.G. Warburg & Company. London has now been replaced by New York as the banking center, but it still exercises great influence in international banking circles.

In 1783 Francis Baring began business operations in Philadelphia. In 1802 when the United States decided to purchase Louisiana, the Barings financed the deal. The price of the land was $15 million, of which $11,250,000 was represented by bonds issued by the United States Government.

As the trade routes of Europe expanded, cities began to flourish, and in their wake followed not only new industries but banks and new methods of financing trade. By the end of the 15th century Frankfurt had become one of the main centers of economic activity in Europe. As trade expanded, it became necessary to expand credit. The merchant financiers established banks in all the mercantile centers. Between 1550 and 1600 massive numbers of bills of credit were circulating and more sophisticated techniques were evolving, such as the practice of endorsing bills of exchange and using short-term credit measures. The practice of keeping large bullion supplies as a fractional reserve of a greater amount of notes outstanding was now well established. This was merely a giant extension of the traditional goldsmith trick of reaping huge profits on loans "covered" by only a fraction of the amount of reserves on hand. Our present-day system of creating something out of nothing is a sophisticated device to refine the practice of usury into one of actual legalized robbery.

It was also during this period that the large trading and joint stock companies originated. Public banks were also established in various cities. For example, the Banco della Piazza di Rialto was established in Venice in 1587 and a similar bank was organized in France in 1604.

By the 17th century, the patterns of credit and commerce had been clearly established and brought a continuing increase in the use of bills of exchange. Another problem was that frequent shortages

of coin and bullion occurred.

Among the other difficulties facing the people of Europe during these centuries were recurring famines, plagues, disease and epidemics. It is estimated that during the plague of 1576-1577, 17,000 deaths occurred in Milan; 16,000 in Venice. In 1580 it was reported that 120,000 people died in Paris, and in 1565 Hamburg lost a quarter of its population.[7]

Another method used by the spendthrift kings to realize revenue was to cede large tracts of land in colonial areas in exchange for money. An interesting sidelight to this is found in the fact that between 1600 and 1700 thousands of acres of land in North America were assigned by the English Crown. The area which is now Pennsylvania was ceded by Charles I to William Penn for a loan of 16,000 pounds. The kings also obtained huge quantities of money from the moneylenders—to whom many favors and privileges were often granted in exchange for the money.

An example of the barren state of the royal treasury occurred when James II ascended to the throne of England. Almost everything that the Crown could round up had been offered as security for the loan. Prince William of Orange was the pretender to the British throne and his wife, Mary (who was James II daughter) were funded by the Amsterdam money pool with a loan of $2 million guilders. William and Mary went to England to claim the throne. They landed in December 1688 with an army to depose James. The English commander defected to the William and Mary camp and after a battle of sorts, James managed to escape to France. One month later, in January of 1689, Prince William of Orange and his wife, Mary, were declared King and Queen, joint sovereigns. The "Revolution of 1688" was designed by the moneylenders to rid themselves of an insolvent ruler and replace him with rulers of their choice who would be indebted to the money pool for their position.

While wars have always been a part of the strategy of the moneylenders, there is always a more subtle aspect to their intrigue. Prior to the ascent of William and Mary to the English throne, borrowings had been made on the faith and credit of the Crown. A new feature was now added. The debts of an insolvent king were to be transferred directly to the people. They would now be responsible for the debts of the spendthrift government—with or without their consent. Preparations for this event had been carefully planned by the British East India Company. In 1666 they persuaded Charles II to sell the coinage privilege to the East India Company, which was owned by the goldsmiths and the money pool. The "free coinage" of silver act abolished seigniorage charges levied by the mint. Thus another source of royal revenue was ended. It also laid the foundation for the metallic theory of money which was responsible for virtually altering the monetary systems of the world. It enabled the manipulators to destroy the royal prerogative of coinage and they were now in a position to create commercial panics which were unknown up to that time. After the passage of the act, the mint now only accepted large deposits of bullion and coin which were then shipped to the Orient or India to be exchanged for gold. It has been estimated that the usual profit on these trips amounted to over 30 per cent. Even in those days that was a handsome profit.

The stage was now being prepared for the big coup. In 1694 the Bank of England was established.

It was organized originally with a 12 year charter (which has never been renewed). Now the king was encouraged to borrow as much money as he needed, and the Bank of England now made loans to the government by establishing a national debt. The Bank of England was a deceptive title as it was not officially a part of the government. The Bank now established the precedent of giving the government money in exchange for its bonded debt. This identical practice is used today in the United States by the privately-owned Federal Reserve Bank. When the national debt system was started in England it was 1.5 million pounds. One hundred years later it had skyrocketed to 848 million pounds. One can see why the Amsterdam moneylenders were so anxious to put their puppets on the throne. And one can also see how these same moneylenders have become the real rulers of the world—through the monopolistic and ruthless control of a nation's money.

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Chapter III
18TH AND 19TH CENTURY MONEY MANIPULATIONS

Behind every great fortune
there lies a great crime
— BALZAC

From the time that Columbus discovered the Americas in 1492, a steadily increasing number of ships came to the New World to seek wealth and plunder. The early Spanish traders were not interested in establishing colonies. They wanted gold and would resort to any means to obtain it. Tales of glittering wealth attracted all sorts of buccaneer types who plundered and ravaged every area where they frantically searched for gold. Probably every known crime has been committed in the name of gold by these early invaders. In fact, it might be said that they resurrected the ancient worship of the golden calf.

As trade developed, however, the North American continent attracted a new type of colonist. Hardy, self reliant people came to the new world to escape from government tyranny and to find religious and economic freedom. These people worked hard, established farms, towns and gradually began to expand their economy. By the 18th century the American colonies were beginning to prosper and enjoy an active and flourishing trade.

In the early years much of the trade in the Colonies had been by barter. With the increase in the population such measures became impractical and other means of exchange were sought. As early as 1652 the province of Massachusetts established a mint and began striking Pine Tree shillings. At this moment the contest between the control of our money by bankers began—and the problem exists even more acutely today. Some royalist sympathizers considered the Pine Tree coins a violation of the royal prerogative, but they still circulated, to be followed later with Colonial Bills of Credit. Other colonies soon opened mints and people were encouraged to bring in bullion for melting into coins. These coins were declared legal tender by some of the colonies.

A land bank had been organized in South Carolina around 1675 which issued private notes upon the security of estates. Massachusetts also began the issuance of Provincial Notes and even authorized a private bank to issue its own notes for a short period, between 1714 and 1720. Many types of money circulated, including colonial and foreign paper and many varieties of metal coins. About 1727 the government of England, prodded by the Bank of England, began to interfere with their money system, and ordered the governor to contract the currency. This led to great hardship, and despite the protests of the Assembly, further contractions of Colonial currency were ordered by the Crown. Many people were reduced to poverty, securities lost their value and loans were recalled. Commerce collapsed to such an extent that many people were forced to pay their taxes in kind.

The people were now in a state of open defiance, and by 1755 they had begun to import coins from France. Counterfeiting became rampant and, in 1751, the Riot Act was passed to prevent violence by mobs of angry citizens. The same year the Massachusetts Assembly authorized the liquidation of current expenses through the issue of interest-bearing certificates. These bills immediately began to circulate as money and provided a great deal of financial relief to the colonies. When the British heard that these notes were circulating as money, they decided this had to be stopped. In June 1751, Parliament prohibited the circulation of these bills and forced some colonies to borrow all of their money from England with interest. In 1764 the prohibition against issuing their money was extended to all the colonies. It then became mandatory for all the colonies to borrow their money into circulation at huge interest rates. It is probable that these acts were more responsible for the Revolution than any other factors.

Many of our founding fathers were keenly aware of the problem this debt money created and this is one of the principle reasons why our constitution so clearly provided for an honest money system. Article 1, Section 8, Par. 5 of the Constitution provides that “only Congress shall have the power to coin money and regulate the value thereof.”

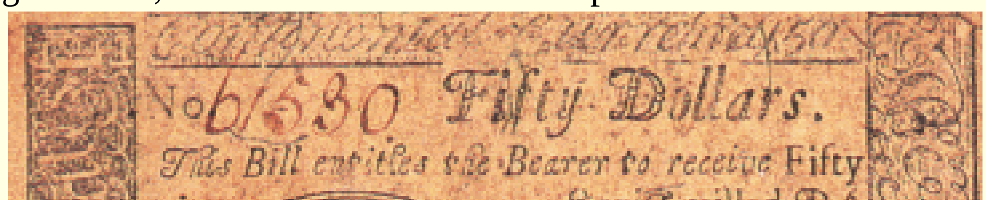
Prior to the enactment of the acts restricting the issuance of money by the Colonies, they had been more prosperous than any nation in history. The colonies which had the most stable monetary system were those which geared the amount of paper money to the requisites of their trade and commerce. Connecticut and Delaware were very successful in maintaining a stable monetary system. To illustrate how important the issuance of money was to the colonies, Benjamin Franklin was asked when he was in London in 1763 why the Colonies had prospered so much. His answer was, “because we issue our own money. It is called colonial script—we issue it in proper proportion to the demands of trade and industry.”

Since the efforts of the Colonists to establish a monetary system of their own were thwarted, the passage of the Stamp Act in 1774 was the last straw. This act required that a stamp be placed on every instrument of commerce. Outside of the minor skirmishes of Lexington and Concord, “the emission of paper money was the first act of open resistance and defiance which the American Colonies offered to the Crown.”[1]

Less than two weeks after the first hostilities of the Revolution, the Committee of Safety, which had been appointed by the Provincial Congress, passed a resolution providing for the issuance of paper currency.

During the American Revolution it was necessary for the Continental Congress to find a way to finance the war. Therefore paper money (continentals) was issued by the Continental Congress and this money circulated side by side with metal coins and currencies of the various states. Congress also borrowed money from France and requisitioned contributions from the several states. Some of the states declared Continentals legal tender, but others were not so cooperative.

The colonies were jealous of their money-regulating prerogatives and



thus did not immediately give the Continental Congress legal power to create money. Yet on May 10, 1775 the Continental Congress, meeting in Philadelphia, passed a resolution for the issuance of $2 million in bills of credit—redemption was to be the faith of the "United Colonies." This money was not backed by bullion. It was issued solely on the full faith and credit of the government. The power to issue money by the Continental Congress was not actually granted by the Articles of Confederation until 1781; when they were ratified by all the states, but the money was issued and circulated freely and was accepted until the counterfeiting problem became acute.



Anguished cries rose up in England and among British sympathizers that the Colonies had usurped the royal prerogative in issuing money—however, they forgot to mention that the government had already surrendered this government function to the Bank of England in 1694. The Colonists were familiar with the system of debt money as it operated in Europe and would have no part of it.

During the period in which the Articles of Confederation were in force (from 1775 to 1789) many kinds of money circulated. Continental bills of credit, bills issued by the Colonies, Spanish gold pieces as well as silver and gold coins from various countries all circulated freely. In a period of four years, the Continental Congress had issued twelve series of Continental bills totaling $242 million. This was a staggering amount of money in those days. These bills gradually began to lose their value because of the presence of so much counterfeit money. In fact, many of the bills had been so successfully counterfeited that whole issues had to be recalled. Their value did not decline because of lack of specie backing, as some propagandists would have us believe, but simply because of the dumping of huge quantities of counterfeited bills circulated by the British in the Colonies. Some of the counterfeit bills were brought from England and others were made in New York. The problem became so acute that a convention was held in Springfield, Massachusetts in 1777 to discuss the problem. Another factor contributing to the decline of the value in Continentals was the legislation which some states passed limiting the legal tender value of these notes.

On November 15, 1777 the Articles of Confederation were agreed upon between the states, but they were not ratified until 1781. The Confederation was now given the power to regulate the value and denomination of coins issued by both the Confederation or the states and to borrow money and emit bills of credit.

Many people are confused by the wording of Article 1, Section 10, Paragraph 1 of the Constitution which provides that :

> **No State** shall enter into any treaty, alliance, or confederation; grant letters of marque and reprisal; coin money; emit bills of credit; make anything but gold and silver coin a tender in payment of debts ...

As we have seen, the colonies issued their own money prior to the Revolution. From 1776 to 1789 under the Articles of Confederation, the Colonies continued their practice of emitting bills of credit and coining money, which circulated along with Continental currency and other types of money. After the adoption of the Constitution, the states were now prohibited from issuing money. Since the national government had banned the state's money-issuing powers, colonial script could not be received in payment of debts owed to the central government. This is the reason for the insertion of this article. It never was intended to establish a metallic basis for money. The Colonies had successfully avoided a metallic standard of money and the Continental Congress issued its currency on the faith and credit of the government. Since the Revolution was primarily fought over the issuance of money, the framers of the Constitution wanted to be totally free from having to borrow money into circulation. None of the colonies had used the goldsmith's fractional reserve method of issuing bills against gold or any other metallic backing. Their currency had been issued on the basis of the commercial needs of the colonies.

Additionally, Section 10 of Article 1 is a limitation on the powers of the states and does not pertain in any way to the national government. There is nothing in the Constitution which suggests a metallic basis for the issuance of money by the United States government. It is this prohibition which was directed against the states which has apparently caused a great deal of misinterpretation of the intent of the Constitution in this matter.

Shortly after the establishment of the United States government, it became apparent that a national coinage system must be established, so a committee was appointed to study the matter. The result of their work was the Coinage Act of 1792. During the time the committee was studying the problem of a national money system, powerful interests sought to gain control of the money through the establishment of a bank similar to the Bank of England. Alexander Hamilton was one of the foremost spokesmen for this group.

During the debates over the Coinage Act, the European money interests began lining up support in Congress to get the First Bank of the United States approved for a twenty year charter. As early as 1780 Alexander Hamilton had urged the establishment of a bank similar to that of the Bank of England. It might be of interest to note in passing that internationalist banker agent Hamilton was the person instrumental in getting the clause inserted in the United States Constitution which declared that treaties are the supreme law of the land—an absurd fallacy since no treaty obviously could violate the fundamental law of the land and be valid.

Hamilton gave the following arguments for the establishment of the First Bank of the United States : 1. It would provide a safe place for the storing of government funds; 2. It would serve as an agent in the collection of taxes; and 3. It would issue bank notes (thus usurping the function of

Congress in violation of the Constitution). This Bank was to be partly owned by the government, but private interests would control 80 per cent of its assets. Thus any money in the banks would accrue interest for the private owners as well as putting public funds under the control of private individuals.

The Coinage Act of 1792 established the Mint. It also permitted the people to bring in gold, silver and other metals to be made into United States coins free of charge. Due to a shortage of metals, appeals were made to the people to bring in anything they could find in the way of metals. As a result, candlesticks, foreign coins, copper utensils or anything which could be fabricated into coins were brought in. The denominations of coins provided for by the Coinage Act were gold eagles in $10, $5 and $2½ dollar denominations. Silver coins were dollars, half dollars, dimes and half dimes. Copper coins of a cent and half cent were also included.

With the passage of the First Coinage Act in 1792, silver became the unit of value for money. Alexander Hamilton (the first Secretary of the Treasury) had made a report to Congress in the previous year establishing that gold was fifteen times more valuable than silver and recommended that the ratio of the gold eagle to silver be made by fixing the ratio at 15 to 1 so that the relationship of the gold and silver coins would be stable. This suggestion was adopted and the value of the gold eagle was set at ten silver dollars. Around 1802 both France and England went on the gold standard and this caused an exodus of gold coins to Europe. Since the French and English valuations for gold were slightly higher than that of the United States, the Americans were able to ship their gold to these countries for a five to six per cent profit.

The international money interests succeeded in getting Alexander Hamilton, in December, 1790, to submit a plan for the establishment of a Bank of the United States, with a constitution similar to that of the Bank of England. The Act establishing the bank was signed into law by a reluctant George Washington on Feb. 25, 1791.

The First Bank of the United States opened in Philadelphia and operated under a United States charter. Soon branches were opened in Boston, New York, Baltimore, Washington, Norfolk, Savannah and New Orleans. All of these national banks issued paper currency and used the fractional reserve system which had been developed by their European predecessors. A fractional amount of their paper money was redeemable in coin and much more paper was issued than there was bullion available. This feature permitted the bankers to call loans in by demanding their payment in specie rather than in paper currency. These banks issued their own notes, handled commercial and governmental loans and issued charters to state banks. During this period they not only usurped the constitutional prerogative of issuing paper money, but engaged in political favoritism in the granting of charters and loans. They even engaged in open speculation. Their arrogant attitudes and intervention into the nations economy aroused a great deal of opposition to them in Congress. So much coinage had been taken out of circulation that in many sections of the country, municipalities, insurance companies and business firms issued script. The technique of the money squeeze had been used by the European goldsmith bankers for centuries and now our fledgling nation was witnessing the power drive for control of the economy and destiny of

America. During this period William Pitt remarked, “The American Colonies have won their independence, but it will do them no good because they have adopted a private banking system.”

The charter of the First United States Bank expired in 1811. Because of the growing hostility to the monopolists, enough support was gathered in Congress to defeat its renewal. The opposition was bitter, and in the discussion prior to the defeat of the bill, veiled threats had been made to Congressmen that if the charter were not renewed, the United States would be involved in a war. The Americans refused to take this threat seriously and accordingly did not renew the charter. In 1812 the United States was at war.

Congress declared war on England June 18, 1812. The causes for the war were listed as follows : 1) the United States commerce was being interferred with to the extent that the economy of the nation was being adversely affected; 2) agricultural and maritime interests were interferred with; 3) the British had established blockades around American ports and 4) they had provoked the Indians to attack frontier areas with bloody and horrible massacres of men, women and children.

To the casual observer, the timing of the war was extremely perplexing. Several factors indicated that the British maritime policy would shortly be relaxed. In 1812 Napoleon was more of a threat to the United States than England and a depression was raging in England. The British merchants were angry over the loss of American markets and many observers of this era regarded the war as a means of aiding Napoleon. Additionally, five days after the American declaration of war, Lord Castlereagh suspended the Orders in Council which had been cited as one of the primary reasons for the war. This was the policy of impressing American seamen into service on British vessels. Can we suppose that the people in charge of governments and wars knew so little about the situation that they simply plunged two nations into a foolish and fruitless war ? Or should we suspect that powerful forces were manipulating the ministerial councils to bring about the exact situation which occurred ?

The treaty ending hostilities was signed on Christmas Eve of 1814, but the struggle had left a deep impact on the American economy. Business had been hampered by the war effort and the government was in debt. During the war years European money interests were represented in the United States by such names as John Jacob Astor, David Parish and Stephen Girard. David Parish had been the New York representative of the Rothschild interests during the War of 1812.

Support of the war had by no means been unanimous, and in several instances the Federalist-controlled state administrations refused to provide militia and also discouraged individuals and banks from lending money to the hard-pressed national government. These measures brought the government to the brink of bankruptcy on several occasions.[2]

During the war, the National government issued Treasury Notes to raise money. These notes ranged from one to three years and carried an interest rate of five per cent. Since the government was often unable to borrow money from banks (at interest) and did in fact issue Treasury Notes (a form of bond), could it not issue money as provided for by the Constitution ? Again a war had been fought over the issuance of money and after several years of fruitless fighting, this crucial issue

remained unsolved. All the other reasons for the war had disappeared shortly after its beginning.

If the War of 1812 accomplished nothing else, it did enable the promoters of the United States Bank to get another charter. The second United States Bank was chartered in 1816 for twenty years, and during its existence it reestablished its control over the nation's entire banking system. Due to manipulation of reserves and loans, they were able to call in bank notes for redemption in specie which they knew the affiliate banks did not possess. This forced many thousands of smaller banks into insolvency. The welfare of the American people was never considered by the United States Bank crowd and its manager, Nicholas Biddle. By the time Andrew Jackson became president in 1829, the United States Bank had twenty-six branch offices throughout the nation. Biddle boasted at one point that he "could destroy nearly any bank in the United States simply by forcing it to exchange specie for its banknotes."[3] This is why the goldsmith bankers want gold or silver as backing for their money.

The bank controversy became so intense that the campaign of 1832 was based on it. Congress urged Biddle to seek renewal of the bank's charter in 1832, although it would not expire until 1836. Among those who lined up on the side of the banking interests were Henry Clay and Daniel Webster. The bill passed Congress but Jackson vetoed it in his famous veto message. Jackson's position was that the bank was : 1) unconstitutional, 2) a dangerous private monopoly, 3) largely owned by foreigners and 4) the government received no interest from money kept in the banks. During his administration, Jackson had all government deposits removed to various state banks.

One of his famous statements in the veto message was :

> The bold efforts the present bank has made to control the government, the distress it has wantonly caused, are but premonitions of the fate which awaits the American people should they be deluded into a perpetuation of this institution or the establishment of another like it.

Another of his remarks regarding the banking interests was :

> You are a den of vipers. I intend to rout you out and by the Eternal God I will rout you out.

He also remarked :

> If the people only understood the rank injustice of our money and banking system, there would be a revolution before morning.[4]

The monied interests did not accept the revocation of their charter as defeat. They immediately mobilized their forces and planned a new avenue of attack. Their efforts were now concentrated on state banks as a means of rebuilding their power. Although the United States Bank continued in business after 1836 it was no longer empowered to act as a central bank. Thus Biddle lost his direct control over the state banks but was still able to exert a great deal of indirect influence.

The Panic of 1837 was the first severe panic to hit the United States. It was caused entirely by the bankers and occurred at a time when the Federal government was solvent and expansion in the economy was occurring at all levels. Canals were being built, westward expansion increased each year and new enterprises were developing new opportunities in many fields. But the banking pool decided to punish the nation for its defeat and they did so by withdrawing money from circulation. This was accomplished simply by calling in loans from banks which in turn led to a further calling in of business and commercial loans. As a result, people were again left without enough currency to carry on their normal business. This same tactic had been used on the Colonies prior to the Revolution. As a result of the contraction of money, a slowdown in economic activity began and its effects were felt by the nation for several years.

Martin Van Buren was also opposed to the monopolistic United States Banks; and during his administration (1836-1840) he wanted to find a substitute for state banks where federal funds were kept. In order to separate government from banking activities, the Independent Treasury Bill was enacted whereby government owned vaults would be constructed in various parts of the country. The money could be kept safely in these vaults until needed without the fear of banking failures. This system was continued, with some modifications, until the adoption of the Federal Reserve Act in 1913.

The money crowd used the decades between 1840 and the turn of the century to consolidate their influence and power. It was also during this period that New York became the financial center of the country. August Belmont, a Rothschild agent, went to New York in 1837 and established himself as a powerful figure in monetary circles. Some of the banking firms which became established during these decades were Kuhn, Loeb & Company, established in 1867 through a merger of the Kuhn Loeb interests. Lehman Brothers was founded in 1850. J.P. Morgan & Co., originally founded about 1860 was merged in 1959 with the Guarantee Trust Company of New York to form the Morgan Guarantee Trust Company of New York. Goldman Sachs & Company opened its doors for business in 1869 and J. & W. Seligman & Company was founded in 1864. S. G. Warburg & Company, Ltd. of London incorporated the business of Seligman Brothers in 1957. It might be interesting to note that their present New York correspondents are : The Chase Manhattan Bank, Chemical Bank, First National City Bank, Irving Trust, Manufacturers Hanover Trust, Morgan Guarantee Trust and the Philadelphia International Bank. At the present time, S.G. Warburg & Company of Frankfurt and S.G. Warburg & Company, Inc. of New York are affiliate companies. This is how the banking fraternity maintains its control over the financial affairs of nations.

Prior to the Civil War the tariff question was one which evoked great hostility from the South. The tariff was so designed that it favored the industrial North and wrought economic hardship on the South. As a result, the South was forced to bear a disproportionate burden in the costs of running the government. Added to this was a very strong states rights sentiment throughout the South. The Mexican War occupied the nation from May 13, 1846 to February 2, 1848. With the Treaty of Guadalupe Hidalgo, the United States received over 525,000 square miles of territory, including

California, Nevada, Utah, most of Arizona and New Mexico and parts of Colorado and Wyoming. It also revived the issue of slavery in the sense that the new territories would soon decide this question. Shortly after the treaty was signed, gold was discovered in California and the gold rush was on.

Economic development continued and thousands of European immigrants poured into this country, settling for the most part in industrialized New England or New York. During this great influx of European immigrants, slavery was becoming economically burdensome and would probably have been impossible to maintain indefinitely. Irish labor was available in the 1850s for $1.00 per day, and these men assumed the burdens of supporting their families. According to Kenneth M. Stampp in his book on slavery in the Ante-Bellum South, entitled *The Peculiar Institution*, "Slavery had nearly ceased to be profitable in the antebellum period—that some masters made money in spite of slavery rather than because of it."[5] Slavery was not the real issue behind the Civil War. It was used as an emotional trigger point to stir up the unsuspecting citizens to rally around the flag and fight another war for the bankers.

Powerful interests felt that it would be desirable for the United States to be divided, lest it become too much of a rival for the European nations. Additionally, there was always money to be made on a war. Since trained propagandists could fan sentiment, it was an easy matter to mobilize sectionalist fervor over issues.

The Hazard Circular, distributed to American bankers by European interests in 1862, is a cynical and revealing insight into the thinking of the money barons.

> Slavery is likely to be abolished by the war power and chattel slavery destroyed. This, I and my European friends are in favor of, for slavery is but the owning of labor and carries with it the care of the laborers, while the European plan, led by England, is that capital (money lenders) shall control labor by controlling wages. This can be done by controlling the money. The debt that capitalists (money lenders) will see to it is made out of the war, must be used as a means to control the volume of money. To accomplish this the bonds (debts created out of the war) must be used as a banking basis. We are now waiting for the Secretary of the Treasury to make this "recommendation to Congress."

Actually, the Civil War was planned in London by the banking crowd. Several of their agents were sent to this country. Judah P. Benjamin, one of these agents, became General Lee's top financial advisor. August Belmont and John Slidel were also chosen to assist in the administration of the war.

The period from about 1836 to the 1860s was characterized by wildcat banking. Banks were chartered on the basis of political expediency and often little management skill was evidenced by the promoters. There were frequent bankruptcies, and speculation was widespread. Because of the widespread circulation of these privately-issued bank notes, it is estimated that in the 1830s there were as many as 7,000 different currency issues. During this entire period the government never resorted to its prerogative of issuing money for the nation, as provided in Article I, Section 8,

Paragraph 5. Instead, it continued to borrow money from private banks to finance its expenses.

After the outbreak of the Civil War both the North and South began to face currency shortages. In some communities the shortage became so acute that local merchants began issuing script or tokens for community use.

The Confederacy began to issue its own money and also arranged to borrow money from European sources. In 1861 John Slidel and James Mason were sent to France to negotiate a loan for the South. This is the same John Slidel who had been sent to Mexico as minister by President Polk in 1845 to negotiate with the Mexican government prior to the outbreak of the Mexican War. Although Slidel was a New York born northerner, he was negotiating for the South. He also happened to be a nephew of August Belmont's wife. Negotiations were begun in Paris with Erlanger & Company, a banking firm which undertook to sell Confederate bonds. M. Ralph von Erlanger, who was head of the firm, had been a Rothschild representative before his arrival in Paris. The Erlangers underwrote the sale of a $15 million bond issue for the Confederacy which was to be redeemable in cotton at 6 pence per pound. At the time of issuance of the bond, cotton was more expensive so the bonds were immediately over-subscribed. Then a campaign was quietly begun by August Belmont (a Union agent) to discredit the bonds, and the price began to fall. The usual practice by the money pool in these situations is to support the market, and James Mason was ordered to do just that. Prices were stabilized, allowing the pool which had floated the bonds got out with a huge profit. The innocent British investors were left with losses. Later, when it appeared that Union victory was imminent, the Rothschild interests purchased blocks of Union Bonds. These bonds had been previously picked up by the money pool at less than half their value. They were later to become one of the overriding issues in the election of 1868 when General Grant reflected the interests of the money pool, led by August Belmont, to advocate their repayment in specie. So faithful was Grant to the money interests that one of his first official acts after election was the signing into law of the Credit Strengthening Act of March 18, 1869. By this Act the bonds were made redeemable in specie, thus increasing their value by about 100 per cent.

During the Civil War the North was continually short of money and at one point negotiations with some New York financiers was begun. When the government was advised that the interest rate would be about 28 per cent, one of Lincoln's associates suggested that he should resort to the Constitutional prerogative of issuing money.

The first bill authorizing the issuance of $150 million in United States Notes was passed by Congress in February, 1862. The bankers agents within Congress permitted this temporary issue but obtained a conversion into bonds provision. In July, 1862 another issuance of $150 million was authorized, again with the same convertibility feature present. By having a convertibility into bonds feature the banking crowd expected to obtain legislation later authorizing the redemption of the bonds into specie. This money was declared legal tender and was not in itself convertible into coin. It also carried no interest. This was the first actual currency the United States had issued since the adoption of the Constitution. In March of 1863 another $150 million in Greenbacks (United States Notes) was authorized and this time the conversion feature was repealed.

The battle was on and the banking crowd began an immediate propaganda campaign to discredit these United States Notes. They were called greenbacks and labeled as fiat money (*e.g.* unbacked by a fractional percentage of metallic specie). The banking crowd was so afraid of this currency that in December of 1865 they were able to get a law passed providing for contraction of this debt-free money. Their goal was the eventual retirement of all Greenbacks. This battle continued until 1879 when specie payment was reestablished by the money mob and the volume of these notes was to be reduced to $300,000,000. Without the issuance of this money it is probable that the North would have lost the war.

There are billions of dollars to be made by the money pool through the issuance and control of our money. This has never been more evident than an admission by Mr. John Carlock, Fiscal Assistant Secretary of the Treasury Department in a letter dated March 19, 1963 to Mr. Wright Patman, Chairman of the Banking and Currency Committee. In this letter the Treasury Department admitted that had the equivalent of United States Notes (Greenbacks) in the amount of $346 million been outstanding since 1863, the cost of borrowing these notes at 5% interest would have been $44 billion as of December 31, 1962.

This is why, after the first issue of $150 million in United States Notes was authorized, fanatical attacks on the greenbacks immediately began. Within a few months the money interests were able to get their Congressional stooges to pass the Exception Clause which provided that subsequent issues of greenbacks would contain the following clause : "Good for all debts both public and private except duty on imports and interest on Government debts." The effect of this legislation was to drive down the value of greenbacks to about 30 cents on the dollar and was one of the factors which led to the passage of the National Banking Act.

The result of the confusion resulting from the adroitly contrived loss of value of the greenbacks enabled the conspirators to get the National Bank Act of 1863 passed. Although President Lincoln opposed the legislation, the National Bank Act passed and again the issuance of our nations money passed into private hands.

In 1863 it is estimated that there were about 1,600 different kinds of bank notes in circulation in the country. Most of these notes were issued by private banks with a specie redemption feature. This was one of the arguments used in promoting the National Banking Act which purported to provide a national currency. The real reason for this Act was to use government bonds as the basis for banking. Another portion of the Hazard Circular documents this intent as follows : "It will not do to allow Greenbacks, as they are called, to circulate as money for any length of time as we cannot control that. But we can control the bonds ..." National Banks continued to issue bank notes until this power was revoked in 1935.

Had the constitutional money system been permitted to function, this nation would never have been faced with the spectacle of an era of wildcat banking (1836-1864). Additionally, no group of privateers could have illegally gained control of our entire economy or money control. Private issuance of money has been the continuing problem faced by modern nations, and it seems that the legislators are unable or unwilling to learn any lessons from history. They simply compound error

after error by legislating into law the demands of the international banking interests. We will never enjoy peace and prosperity until the people and their representatives learn this simple truth and put into law the provisions of the Constitution which wisely provided for sovereign, rather than the private, issuance of money.

The National Banking Act established the office of Comptroller of Currency. Under its provisions, national banks were required to deposit one third of their capital with the Treasury, but were allowed to issue notes against them to the extent of ninety per cent (another twist to fractional reserve banking). This permitted the banks to hold the notes on a ten per cent margin, but to collect interest in full. The cash reserves requirement against the notes outstanding were later dropped. Another monopolistic factor was the fact that in 1866 the national government required state banks to pay ten per cent annual tax on their notes as against the one-half per cent for national bank issues. As a result of this discriminatory legislation, many state banks became national banks. It also gave these banks control over the profitable government bond market. "By the end of 1865 there were over 1,600 national banks in existence, largely eastern, most of them former state institutions."[6]

Lincoln had been aware of the power of these money interests and during the Civil War he made the following statement to Congress : "I have two great enemies, the Southern Army in front of me and the financial institutions in the rear. Of the two, the one in my rear is my greatest foe." If Lincoln won the war because of the money issue; there is evidence to indicate that he lost his life as a result of it too.

After the Civil War, the nation began to prosper despite the attempts of the money pool to manipulate the wealth which was being produced by hard-working Americans. They feared a strong middle class, as this backbone of economic strength might thwart their plans for world economic domination. The National Banking Act of 1863 did not give the conspirators all the controls they desired, but they now devised a plan to train economists and professors who would be subservient for their positions to the wealthy interests sponsoring them, and who, in turn, would train the students and public to think in the terms the bankers desired. It was also necessary to make the subject of money so difficult to understand that only the "experts" could speak with authority. This is illustrated by the following remarks by Professor Irwin Unger :

> Ordinary folk might well lose their way in the tortuous problems of money, but even businessmen found themselves perplexed by the mysteries of gold premiums, refunding, hedging, and eventually mint ratios, seignorage charges, bimetallism, and remonetization. Under the circumstances the interested public—a remarkably large group for so abstruse a subject—turned to the 'experts' for guidance.

The ultimate aim was the control of the entire economy through the creation of a central bank and monopoly over the issuance of money.

The attack on sound money continued. Congress capitulated to the money pool by passing the

Credit Strengthening Act which redeemed the Civil War debts in coin. Many of these bonds had been redeemable in greenbacks when issued. When the money pool had driven the prices down through their various legislative techniques, huge blocks were purchased at a fraction of their value, to be later redeemed in gold at par value. This maneuver gave the conspirators another huge windfall in profits.

In 1873 the Coinage Act was passed. This was represented to Congress as a measure to revise and amend the laws relative to the Mints and coinage, but its hidden purpose was to demonetize silver and put the United States on the gold standard. Because of the fact that silver coin was still being used in the United States, the money mafia decided to have it demonetized. Rothschild's agents had been busy bribing Congressmen with the idea that silver should be demonetized and the gold standard adopted. The bill which was eventually passed in 1873 bore the deceptive title "A Bill to Reform Coinage and Mint Laws." Its real purposes were concealed beneath cleverly-drafted words and it was not until several years after its passage that the full import of its effects were realized. The passage of this Act deprived Americans of about one third of their circulating medium and caused a great deal of economic dislocation. The Coinage Act was later referred to by its critics as the Crime of 1873 and was blamed for the panic that ensued as the result of its passage. Many people of that time recognized that foreign interests had masterminded the act and that the payment of bonds in gold had the net effect of increasing the national debt.

In 1871, at the conclusion of the Franco-Prussian War, Germany went on the gold standard. This is one of the added factors which led the gold pool to agitate for the adoption of the gold standard in the United States. Because of Germany's adoption of the gold standard, the price of silver declined somewhat in the commercial nations of the world. As the price of silver declined, there was some agitation, especially from the mining interests; for free coinage but the era of bimetalism was about over. In 1874 Congress passed an act which deprived the silver dollar of any legal tender value. This is how an establishment economic expert describes the situation : Actually, "no demonetization, real or imaginary, could have affected the currency in 1873, since there had been no gold nor silver coins in circulation for a dozen years."[7] But according to the figures on currency in circulation : 1860 to 1957, while gold coins in circulation in 1865 amounted to $148,557 million, in 1874 there were $78,948 million still in circulation.[8] In establishing the gold standard, the word coin was redefined to mean gold (instead of silver). The ratio of gold to silver was destroyed and silver was then rendered relatively valueless. Since gold was more expensive than silver, the net effect was to increase the tax burden on the taxpayer. Now all government bonds were to be repaid in gold.

According to Richard P. Bland, Congressman from Missouri who opposed the act, repayment in gold alone "were in the interest of stock jobbers and speculators in government bonds."[9]

The money question was a burning one with people lining up sharply on both sides of the issue. In 1867 there had been an international monetary conference which aimed to establish a universal gold standard. Since national banks and the money interests were lined up on the side of gold, the propaganda was geared to favor its adoption. Opponents were vocal, however, including the

Greenback Party which advocated the circulation of greenbacks as a permanent, inconvertible currency. Congressman Bland favored the greenback theory and he was regarded as the voice of the “insolent masses.” The radicals in the West violently opposed the gold standard and the political campaigns reflected the alignment of the candidates into two violently opposing camps.

In 1870 all the banks in the United States temporarily suspended operations because of the financial disaster which began on Black Friday. The immediate effect was another scarcity of money which eventually threw thousands of people out of work. These maneuvers had been carefully planned by the banking clique so that they could get increased controls over the industry and further centralize their power. Continued assaults against the economic integrity of the nation came from the legislative halls in Washington. John Sherman, Secretary of the Treasury, began a policy of deflating currency (withdrawing greenbacks) after the passage of the Specie Resumption Act, January 14, 1875, until the currency was on a par with gold. Since the national banks drew interest on government bonds in gold, it can be clearly seen where their interest would be aligned. The radicals of the day were astute enough to realize that the monetary legislation was clearly directed for the benefit of the monied class.

The circulation of debt-free greenbacks caused terror in the hearts of the money pool and they continued their campaign to rid the nation of United States Notes and totally return to the fractional reserve system of specie payments. In 1865 the newly appointed Secretary of the Treasury, Hugh McCulloch, announced his policy of returning to specie basis. He asked Congress for authority to retire greenbacks, and, as a result, the Contraction Act was passed in December, 1865. This act provided for the gradual withdrawal of greenbacks from circulation. During 1866 the amount of greenbacks withdrawn went from around $433 million in August of 1865 to $399 million by the end of 1866. The purpose of the withdrawals was to replace the interest-free money with interest-bearing notes. The effect of the contraction of money was adversely felt by the business community and resistance to this policy became intense. In fact the opposition became so strong that the act was repealed in January of 1868. By the time of the repeal of the Contraction Act, $44 million in greenbacks had been retired.

In 1866 when the nation was in the midst of the Civil War the Bank of England faced failure. This was due to the failure of the Overend, Gurney financial institution in London in 1866 which brought on a panic-like demand for gold by financial institutions who were afraid that paper would be turned in for gold. American bonds were being dumped in European and American markets, but Secretary of Treasury McCulloch protected European banking interests by buying bonds below the gold market prices. His actions aroused so much opposition that even some Wall Streeters accused him of saving the Bank of England.

In 1875 another step was taken by the gold crowd. The Resumption Act was passed which provided for the resumption of gold payments on all government bonds. This act provided for the withdrawal of $80 worth of greenbacks for every $100 of new bank notes issued. The interest-free money was thus retired so that interest-bearing bonds could be issued by the banks. One of the results of this act was to again contract the currency until adverse effects on business were felt

throughout the nation. Railroad construction slowed down and business failures increased. The depression raged, simply because of a deliberately-contrived lack of money.

A further withdrawal of currency and credit restrictions was made in 1878, resulting in thousands of business and banking failures. This banker-sponsored depression was halted in 1879 when Congress authorized the issuance of more coins. However, the money pool continued their relentless efforts to dismantle our economy and between 1882 and 1887 the per capita money in circulation was reduced to $6.67. As a result, business failures increased to staggering proportions and thousands of foreclosures were made on farms and other property. The poverty and business failures were blamed on the business community, but the cause was solely in the hands of the criminals who manipulated the money market.

Again in 1893 another panic was thrust upon the nation and the money question once again became a major issue in the campaign. A letter addressed to the members of the American Bankers Association reveals how the panic of 1893 was caused.

> Dear Sir :
>
> The interests of the National Banks require immediate financial legislation by Congress. Silver certificates, and Treasury notes, must be retired, and national bank notes, upon a gold basis, made the only money. This will require the authorization of new bonds in the amount of $500,000,000 to $1,000,000,000 as the basis of circulation. You will at once retire one-third of your circulation and will call one-half of your loans. Be careful to create a money stringency among your patrons, especially among influential business men. The life of the National Banks, as fixed and safe investments, depends upon immediate action as there is an increasing sentiment in favour of government legal tender and silver coinage.

William Jennings Bryan became the spokesman for free silver, but the bankers propaganda was too effective to be offset by one lonely voice. The goldsmiths were now fully in control—after over a century of manipulation, planned panics, contrived wars and controlled politicians.

In 1907 another planned money panic was unleashed upon the nation. This one caused such violent dislocations that a Congressional investigation began to probe the banking industry. The money pool had been working long and hard for just this situation. The probe resulted in the appointment of a National Monetary Commission to study the situation and submit recommendations for banking and currency legislation. Senator Nelson Aldrich (Governor Nelson Rockefeller's grandfather) was selected to head the commission. This group spent two tax-financed years in Europe studying their central banking systems. Among other members of this delegation were Jacob Schiff of the New York banking firm Kuhn, Loeb & Company, and A. Piatt Andrews, Assistant Secretary of the Treasury, who acted as special assistant to the National Monetary Commission. Nelson Aldrich was so closely affiliated with the Rockefellers that his daughter Abby married John D. Rockefeller, Jr.

When the delegation returned to the United States, they were joined by a group of wealthy New

Yorkers who boarded a private railroad car and headed for Jekyll Island, Georgia, to the estate owned by J.P. Morgan. Among those present on the trip were A. Piatt Andrews, an economist from the Treasury Department, Henry P. Davison, senior partner of J.P. Morgan & Co., Charles D. Norton, president of Morgan's First National Bank of New York. Also present were Frank Vanderlip, president of the National City Bank of New York, which represented the Rockefeller oil interests. Paul Warburg, of Kuhn & Loeb Co. and Benjamin Strong, a stock market manipulator, were also deeply involved in the drafting of the banking act.

The purpose of the meeting was to draw up plans for a central bank which they proposed as the solution to the monetary problems which had plagued the nation for many decades. They misrepresented the true nature of the bank and couched the bill in such garbled phraseology that it would require a codebreaker to understand it. They called it the Federal Reserve Bank which would deceive most people into thinking that it had something to do with the government. They did not reveal that this private money cartel would now be given complete control over the issuance of our money and the entire economic life of this nation.

The passage of this sinister Federal Reserve Act was delayed until 1913 when they were certain of its passage. "Their man", President Wilson, was in the White House, and shortly after its passage on December 23, 1913, it was signed into law by the president.

Now after more than fifty years of this institution, we are faced with bankruptcy, both nationally and individually. We are plagued by inflation, internal chaos and international wars. All planned by the agents and pawns of the money manipulators. How much longer will the people of the United States permit this financial vampire to continue to rob, exploit and murder us ? Their entire exploitive empire could be dismantled by the passage of one single law : the purchase of the Federal Reserve Bank by the United States Government and the restoration of the constitutional power to issue our own money, debt free. At this very moment (1971), a bill is before Congress which will permit the government to purchase the Federal Reserve Bank stock and return to Congress control over our nations money. Submitted by Congressman Rarick, H.R.351 will lie dormant in Committee unless enough Americans are informed of its existence and DEMAND ITS PASSAGE. Only then will the end of this satanic money control over our nation be ended.

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1. Alexander Del Mar, *The History of Money in America* (Hawthorne, California : Omni Publications, 1966), p, 94.

2. John A. Garraty, *The American Nation, A History of the United States* (New York : American Heritage Publishing Co., 1966) E178.1 .G24

3. Garraty, *The American Nation*, p. 270.

4. It might be interesting to note that during Jackson's administration, the entire debt of the United States was paid off with the exception of a small amount of around $37,000.

5. Kenneth M. Stampp, *The Peculiar Institution ; Slavery in the Ante-Bellum South* (New York) Vintage Press, 1956), p. 348.

6. Irwin Unger, *The Greenback Era*, Princeton, N.J., Princeton University Press, 1968.

7. Don Taxay, *The U.S Mint and Coinage* (New York : Arco Publishing Company, Inc., 1966) p. 261.

8. U.S. Bureau of the Census, *Historical Statistics of the U.S.* Colonial Times to 1957; (Washington, D.C., 1960) p. 649.

9. *Mint Directors Report* in House Document 2, 44 Congress, Second Session (Library of Congress), pp. 296, 307, 311.

Chapter IV
THE FEDERAL RESERVE BANK

The Federal Reserve Bank is a privately owned,
government created, fractional reserve central bank
which has been unconstitutionally granted
the money-issuing power reserved for Congress by the Constitution.
— AUTHOR

In December, 1913, the money pool was ready for its great coup d'etat. After years of planning, currency contractions, money manipulations, contrived panics and wars, the ax was about to fall on the unsuspecting heads of the American public. In order to sell Congress on the idea of a central bank, its proponents claimed it would accomplish the following purposes : (1) stabilize the dollar, (2) prevent panics and depressions, (3) end bank failures, and (4) help farmers and business. The provision for stabilization of the dollar was killed in committee, however, as the last thing the money pool wanted was a stable domestic dollar. They prefer a flexible currency which could be expanded or contracted at will—by them. This expansion or contraction of the economy is achieved through the issuance of great quantities of money (inflation) or contraction of currency (deflation).

The bill, officially known as the Owens-Glass Bill was passed by the House on December 22 and on December 23, 1913 by the Senate. The Congressional Record of December 22, 1913 (H1464) indicates that the voting was as follows : 209 yeas, 60 nays and 76 not voting. Senate voting provided 43 in favor of the measure, 25 against and 27 not voting. (*Congressional Record*, December 23, 1913 [S1488]). In view of the proximity to Christmas it is surprising that so many members of Congress had remained in Washington to vote for this betrayal of the American people. But we must remember that the groundwork had been carefully lain and key people had been groomed for leadership to promote the sinister aims of the internationalists.

There had been sufficient comment and debate in Congress regarding the measure to acquaint most of those voting with its contents, had anyone bothered to listen. On the day that the House approved the measure, Mr. Charles Lindberg, Sr. remarked that "the money trust caused the 1907 panic and thereby forced Congress to create a National Monetary Commission." He further stated in the same remarks that "the Money Trust would cause a money stringency in order to force the bill (Federal Reserve Act) through Congress ... This bill is passed by Congress as a Christmas present to The Money Trust." (H1445, Dec. 22, 1913). But the voting proceeded with partisan bias and few bothered to worry about the impact that this evil monopoly would have on the lives of the citizens of the nation they had been elected to serve.

The Federal Reserve System consists of twelve regional banks located in various sections of the country. Altogether these twelve banks have twenty four branches. It is governed by the Board of Governors whose chairman is appointed by the President of the United States. The regional

Federal Reserve Banks are operated by nine directors, six of them selected from commercial banks within the area served. The Open Market Committee consists of nineteen members, seven being members of the Federal Reserve Board who are appointed by the President and ratified by the Senate. The remaining members are selected from the twelve Federal Reserve Banks.

The Open Market Committee is probably one of the most powerful economic factors in our nation. This small group meets every two to three weeks in Washington to decide financial policy for the nation. Although all of the regional bank presidents may participate in discussions, only five of them may vote. When the Federal Reserve Act was first passed by Congress they probably expected the rediscounting procedure to be their most important weapon. But the Open Market Committee has become its most important tool. By extending billions of dollars to their selected banks they are able to control the open discount market in New York and also manipulate the price of the stocks and bonds on the other exchanges. The functions of the Open Market Committee are as follows :

1. Regulate rediscount rates (e.g. reserves required to be held by member banks.)
2. Control of interest rates to be charged by member banks.
3. Regulate stock margin requirements. (It is the belief of this writer that periods of low margins give the insiders the opportunity to accumulate stocks and when margin rates rise to over 60 or 70 per cent, the pool has already unloaded its stocks.)

According to the late Congressman McFadden, former Chairman of the House Committee on Banking and Currency : "The sack of these United States by the Fed is the greatest crime in history." He further testified that "the Fed has usurped the Government." Because of the usurpations of this private monster, the Constitutional guarantees of the American people are being swept away and their property is being confiscated without due process of law.

New York acts as a single district, while the four remaining districts elect the remaining four members. Thus it can be seen that the financial capital of the world, New York, will always have a man on the Board of Governors.[1]

The function of the Open Market Committee is summed up in the opening paragraph of *The Federal Reserve and the American Dollar, Problems and Policies*:

> The money of the United States is managed by the Board of Governors of the Federal Reserve System and the Federal Open Market Committee ...[2]

Thus this small group of men have the control of our nation's money and economy in their hands. They also preside over the purchase and sale of government securities. With these controls the Fed has a virtual monopoly over our fiscal life. "In the statute creating the Federal Reserve System, and as subsequently amended, there is no limitation on its actions, and the result of the delegation of power has been the abject abandonment of governmental control over the power to create money

and credit."[3] Every stock market operator keeps one eye on the policies of the Fed in order to determine which way the economic winds are blowing. To show how important these powers are to the stock market, an article which appeared in *Barron's* May 6, 1968 issue entitled Market Pitfall, discusses the "Three-Step-and-Stumble rule developed by the well-known market analyst, Mr. Edson Gould. In this article he provides a method of forecasting the direction which the market will take based on the activities of the Open Market Committee. The rule states : "Whenever three successive rises occur in any one of the three rates set by the monetary authorities (the discount rate, reserve requirements, stock margin requirements) investors should beware—for sometime thereafter the market is likely to suffer a substantial, perhaps serious, setback." Here is what a well-known market investment service which serves brokers primarily has to say : "What part the Fed may play in manipulating the psychological climate of finance we do not know."[4] When the money supply is withdrawn from the economy by fiat of the Open Market Committee the economy cannot function efficiently. These maneuvers are designed to bring about either a setback in stock prices and business activities, or an artificial inflation of prices by pumping money into the economy. We are being manipulated in a yoyo-like fashion by these private banking interests who care nothing for the welfare of the nation. With such concentrated power in so few hands, market rallies and crashes can be planned with precision. 1929 is a case in point. Mr. Curtis B. Dall in his book, *F.D.R., My Exploited Father-in-Law*, states : "Probably the actual date (October 24, 1929) was accidental, though the month was evidently selected for the sudden withdrawal of the normal supply of credit. My guess is that the `signal' came from abroad."[5] He further adds "the operation was carried out with ruthless finesse and vigor." Mr. Wickliffe B. Vennard, Sr. comments on the origins of the 1929 crash as follows : "The Slump. No unavoidable accident, but a deliberately organized plot, this might be termed the financial assassination of millions. Those who survived did so only through large-scale borrowing, thus placing industry and agriculture further in pawn to the financiers."[6] Charles A. Lindberg, Sr. observed : "Under the Federal Reserve Act panics are scientifically created; the present panic (1929) is the first scientifically created one, worked out as we figure a mathematical problem." In 1933 there were over 12 million unemployed. The cause of this panic was simply a lack of money. Had our Congress voted to abolish the Federal Reserve Bank then and create a sound money system, it is estimated that the depression would not have lasted for more than three to four months.

Prior to 1932 the Federal Reserve Notes were backed by sixty per cent gold and forty per cent commercial paper. But during the first part of the Roosevelt administration, the ratio was changed to forty per cent gold and sixty per cent government bonds. After the United States went off the gold standard, the gold backing was entirely removed and gold certificates were quietly withdrawn from circulation. This mw permitted the money pool to issue their Federal Reserve Notes with 100 per cent backing in the form of government bonds. It increased their profits and put the American taxpayer in increasing financial jeopardy to them. Gradually the banking cartel was able to control the selection of the Open Market Committee so that the Reserve Gold Certificates could be used to control the gold in Ft. Knox. Through manipulation of bookkeeping entries, they obtained control of this gold. Another effect of this act was to release the Federal Reserve Bank from its obligation

to redeem their notes in gold for American citizens. The gold which Americans believed was owned by the government was in reality turned over to the Federal Reserve Bank after passage of the act, and our government acted merely as its custodian. We must remember, however, that gold in a vault does not draw interest, and the greedy bankers decided to sell the bulk of this metal in foreign markets at prices above our pegged price of $35.00 per ounce. Since it is unlawful for Americans to own gold (under most circumstances), foreign interests have been given a bonanza to profit from at our expense.

The privately owned Federal Reserve Bank now has a virtual monopoly on the economy of our nation because of their power to issue the currency for the people of the United States. By law, Federal Reserve Notes are obligations of the United States government. 12USC 411 reads : "Federal Reserve Notes to be issued at the discretion of the Board of Governors of the Federal Reserve System ... The said notes shall be obligations of the United States and ... They shall be redeemable in lawful money on demand." (December 23, 1913). This act unconstitutionally delegated the power to issue our money to this monopolistic cartel and is the culminating achievement of over 100 years of intrigue and plotting.

Our money gets into circulation as follows. When the government needs money for current operating expenses, a request is sent to the Federal Reserve Bank stating the amount needed. Authorization to issue the notes is sent to the Treasury Department's Bureau of Printing and Engraving which in turn prints bonds (I.O.U.s) in the amount requested. These bonds are then exchanged for an equivalent amount in Federal Reserve Notes. The government is credited with the amount of the deposited bonds and now may draw checks against the entry. When the new money is ready, it is delivered by the Treasury Department to the Federal Reserve Banks which in turn pays it out to commercial banks. The government pays interest to the bank for these bonds which amounts to billions of dollars per year. It is now estimated that our yearly interest tab (1970) is about 19 billion dollars.

LICENSE TO STEAL

How would you like to have the right to step into our Bureau of Engraving, authorize the printing of a $50,000 bill, walk out with it, and leave a tab of two-thirds of a cent.

Fantastic, isn't it ? But that is just the beginning. Now you step into the Treasury Department and purchase a $50,000 interest-bearing U.S. Bond with said bill. This is the manner by which Treasury finances the budget. In most instances the FED merely credits Government account, and hands Government a book of check-book currency thereby saving the cost of printing the Federal Reserve Notes $.0084 per Note, regardless of denomination.

Then deposit the Bond with the Comptroller of Currency and he will give you $50,000 currency. Remember, you retain ownership of the Bond, and the interest from the Bond is payable to you.

Now then, you hoard the $50.000 currency in your bank vault as reserve for the creation of $1,500,000 of check-book currency which you can lend to John Q. Public at six per cent interest, under their Fractional Reserve System.

The bond pays four per cent annual interest and matures in thirty years, at which time the FED will receive a **second** cash payment of $50,000 from Treasury.

Now remember by law all Federal Reserve Notes are obligations of the Federal Government.

To summarize the transaction, Treasury has received $50,000 cash, whereas the Federal Reserve has received and will receive within thirty years :

$50,000 from the Bureau of Engraving
$50,000 from Treasury when the bond matured
$60,000 interest on the bond
$2,700,000 interest on loans to John Q. Public
$2,860,000 total.[7]

Now let us follow this money and see where it goes. The Federal Reserve Bank has the bond and the government has the money. Mr. Citizen wants to borrow $1,000 to purchase a new car, so he goes to a commercial bank to borrow the money. In cases where he has an account with the bank, he merely receives a bookkeeping credit for the amount borrowed and a credit entry will be made to his account. He signs a note and receives a check in the amount of $1,000 less interest which is usually deducted from the amount. Also, he may be required to put up collateral in the form of stocks, bonds or other chattels. This bank has created a credit out of nothing. It may now lend $900 to a second customer. Second customer creditor now deposits the $900 in his bank and this bank in turn may lend out ninety per cent of this amount to a third customer—keeping the ten per cent reserve requirement intact. If, however, the reserve requirements are raised, e.g. to fifteen per cent, the bank will find itself short of reserves and will have to : (1) curtail further loans, (2) call in loans, (3) sell some of its commercial paper to the member Federal Reserve Bank to comply with the new reserve requirements. This results in a contraction of currency—lately called a credit crunch. Translated, it merely means a shortage of cash. This has been arbitrarily created by fiat of the Open Market Committee usually under the guise of some flowery phrases such as "cooling off the economy" or "controlling inflation." Let us assume a ten per cent reserve requirement :

1st loan 90% of $1,000 is $900
2nd loan 90% of $ 900 is $810
3rd loan 90% of $ 810 is $729

We can now see how this method can be multiplied into the billions of dollars which represents the creation of money out of nothing. If we had an honest money system its issuance would be regulated by a relationship to a standard such as the Gross National Product or Consumer's Price Index. This method of creating money out of nothing is causing inflation, impoverishing the wealthiest nation on earth and will end in the creditor (Federal Reserve Bank) confiscating all of the assets of the nation to pay off its counterfeit debts. When the debt is over the trillion mark we must ask ourselves what is behind the collateral which the government pledged when it issued

government bonds in exchange for the Federal Reserve Notes now in circulation. Banks should not be in the business of creating money—their business is to lend money.

If, however, the Federal Reserve Bank needs currency, it deposits United States Bonds with the Treasury and they draw interest for the bank. The bank does not pay interest to the government for the currency. These bonds are merely used as collateral and ownership is retained by the bank until maturity. It also buys bonds on the open market through the Open Market Committee. Any of the twelve Federal Reserve Banks can get currency in this manner. The Federal Reserve Bank is so powerful and independent that it pays no income tax on its profits and allows no independent audit of its books.

All national banks are members of the Federal Reserve System. They are required to keep a specified amount of reserves in the Central Reserve Bank in their district. If the reserves of a member bank get too low, it will borrow from the Federal Reserve Bank or sell government bonds or commercial paper. Bankers must "cooperate" with the Fed or they may suddenly find that the collateral which they put up is not acceptable. This is one of the methods used by the money elite to keep the commercial banks "in line."

The sale of government bonds is a very profitable one for the Reserve Banks. It has been estimated that the Federal Reserve Bank receives roughly 75 cents interest out of every dollar in circulation from the bonds it holds. This gives the Federal Reserve Bank a virtual mortgage on the wealth of the entire nation. If money were wealth, then the unconstitutional and fraudulent notes issued by the Federal Reserve Bank would be similar to their issuing wealth. However, these notes are not wealth, they are not even money. They represent an indebtedness which was acquired when the government issued a bond to the Fed in exchange for Federal Reserve Notes. Can anyone justify why a citizen who has earned a certain amount of money per week should suddenly be in debt to the private Federal Reserve Bank and pay it interest for being allowed to use money ? We have been deluged with propaganda that the national debt is meaningless because, "we owe it to ourselves." We don't owe the debt to ourselves we owe it to the bondholders. Our skyrocketing debt now stands at over $380 billion. But that isn't the end of the debt picture. We have items called contingent liabilities which generally are not included in the debt category. Other billions are concealed in such categories as pension funds, guaranteed loan liabilities and international liabilities. Additionally, the higher the national debt, the more interest the Reserve Banks get. Bondholders may be banks, insurance companies, pension funds, investment trusts or even foundations which are required by law to hold a certain percentage of their assets in government bonds. A huge national debt is one of the methods now being used to undermine the financial health of our nation. When the national government is bankrupt, the creditors will demand collateral from the people who are the producers of the wealth. This will enable them to claim that in lieu of payment, they will confiscate all of the private property in the nation. This pyramiding of debt is one of the primary policies of the Socialist money elite. It is not unlikely that a debt of $2 trillion was never intended to be paid. This debt is represented primarily by government bonds which are backed up by the citizens' ability to pay taxes. Collection of the collateral may take the

form of confiscation of wealth through ever increased taxes or outright nationalization of real property. It is probable that another 1929 type depression will be engineered. At this point millions of Americans will have their entire savings wiped out and the Federal Reserve Bank and associates will declare themselves owners of the collateral which was pledged by “our government.”

When the Federal Reserve Bank was established, there were two classes of stock : Class A and Class B. Member Federal Reserve Banks hold the Class B stock, but the identity of the Class A stockholders has never been revealed, even in attempted Congressional probes. “It was the creation of this monster which has geared this nation to a war economy.”[8]

After over 50 years of the Federal Reserve System, the abject failure of its stated purposes is apparent. Panics and depressions were not prevented. Instead a recurrence of panics and depressions continued : as the farmers panic of 1920 and the crash of 1929. Nor have bank failures been prevented. In the period between 1929 and 1933 alone, over 9,000 banks failed. Helping businessmen and farmers was represented as one of their goals. Since our money has lost more than fifty per cent of its value, it has clearly not helped farmers, businessmen, or anyone else. One of the leading Wall Street economists, Mr. J. Irving Weiss, in his August 30, 1968 *Money and Credit Reports* stated : “No matter how the Federal Reserve twists and turns, it has become pretty sterile as an effective instrument for controlling money and credit along with interest rates.”

“During the early years of the Great Depression, 1929 to 1933, nearly forty per cent of the nation’s banks (more than 9,000) failed, and the losses to depositors were a major influence in deepening the business depression. Loud were the lamentations when depositors lost $1.3 billion in bank failures during those three years. During the last three decades, the losses to savers and holders of life insurance alone has been 460 times as great as the losses to depositors during the depression years.”[9]

The United States has a medium of exchange which might be called circulating debts. Federal Reserve Notes are not money : they are obligations of the United States Government (12 U.S.C. 411). “The said notes *shall be obligations of the United States* and shall be redeemable by the national and member banks and Federal Reserve Banks for all taxes, customs and other public dues. They shall be redeemed in lawful money on demand ...” If they are to be redeemed in lawful money, we must assume that they are not lawful money. But we know that they aren’t money at all, but obligations or debts, backed up by the ability of the American taxpayer to continue to finance this crime. “Not one dollar can be put into circulation without the consent and on terms fixed by these twelve money trusts.”[10]

Every American should look through his wallet and see if he finds any United States Notes or Silver Certificates. In all probability, only Federal Reserve Notes will be found. United States Notes and Silver Certificates have been withdrawn from circulation. United States Notes and Silver Certificates and coins are lawful money. On older Federal Reserve Notes a three line inscription bearing the following words will be found :

> This note is legal tender for all debts, public and private and is redeemable in lawful money at the U. S. Treasury or any Federal Reserve Bank.

This inscription has been changed and now reads :

> This note is legal tender for all debts, public and private.

The reverse side of the one dollar Federal Reserve Note contains a seal which is actually the back side of the Great Seal of the United States. Federal Reserve spokesmen define this seal as follows :

> On the back of the Seal is an unfinished pyramid, a symbol of material strength and enduring foundation for future growth and a goal of perfection. Above the pyramid is a "glory" or burst of light with an eye inside a triangle, referring to the eternal eye of God, and placing the spiritual above the material. At the top and around the edge, in Latin, is the 13-letter motto, Annuit Coeptis, meaning "He Has Favored Our Undertakings." The base of the pyramid bears the numerals MDCCLXXVI or 1776, and below is the motto Novus Ordo Seclorum or "A New Order of the Ages." [11]



Although this pyramid has a Masonic significance, it had been used earlier by the Order of Illuminati which had been founded in 1776 by Adam Weishaupt, a turncoat priest. This arch-criminal envisioned world control (one world government) with himself and followers in control. The Roman numerals 1776 on the base of the pyramid represents this date and not the date of the Declaration of Independence. The seeing eye is symbolic of the terrorist tactics used by the conspirators to force their brutal rule on the population. Destruction of the Catholic Church is depicted by the pyramid. "Annuit Coeptis" means our enterprise (conspiracy) has been crowned with success.[12] "Novus Ordo Seclorum" refers to the New Social Order. The New Deal, Fair Deal, New Frontier, etc., are all variations of the same program that their puppet presidents have carried out for the conspiracy with such slave-like faithfulness. This seal first appeared on our money in 1933. Can we assume that the United States has been openly ruled by this Illuminist-Socialist gang since that time ?

A government should be the sole determining factor on what constitutes legal tender. Instead we see a private corporation usurping government functions by manipulating Congress into declaring that their circulating debts constitute legal tender. This unconstitutional power to acquire securities and the wealth of the nation through their usurious tactics is robbing the American people of all the fruits of their labor, and unless stopped, we will become serfs in a slave state. "Our indebtedness to the private Federal Reserve System and member banks represents the most vicious form of human

bondage servitude and slavery ever known to the human race."[13]

Instead of printing Federal Reserve Notes for the money mob, the government should print United States Notes which would be interest (debt) free and spend them into circulation. "If the debts of a nation are good security on which to base its money, why is not the wealth better."[14]

The people must regain control of their money and its issuance. Congress must be made to represent the people of the nation and not special interests. We must begin to understand this great problem and demand that the Federal Reserve Banking Act be repealed and a constitutional money system be instituted. Because of deliberate miseducation, most people haven't the foggiest notion that the fundamental problems facing the world today are not those the press mentions—it is our immoral money system which has handed the world's assets to this money elite that is the cause for our inflation, deteriorating moral standards and near bankruptcy as a nation.

Since the same forces which control our nation's currency are also busy undermining those of every other nation, we see increasing chaos both in the domestic and international money markets. With an honest and constitutional monetary system, a dollar would be worth a dollar, and inflation could never occur. The value of money would remain stable year after year thus enabling people who plan for their retirement to know just what their dollar income will be worth at a given date.

Rising prices have been a vexing characteristic in the past few decades. Increasing productive ability in industrial nations should have seen a decrease in prices. However, just the reverse has happened due to the fact that money has been deliberately kept in short supply. As the needs of commerce and industry rise, the supply of money should rise also, not the cost of obtaining it. Money is an absolute necessity in commercial transactions and should never be scarce. Yet at the present time, American business is scrambling for cash. In the midst of the worst monetary inflation in history, money is scarce. This is the paradoxical situation facing our country today.

One of the lesser known means by which the New York Federal Reserve Bank exploits Americans is to carry on a yearly multi-billion dollar foreign trade program with its favored customers. It works like this : The New York bank may extend credit to a foreign company. When the favored foreign customer applies to the bank for credit, the Fed, through its Open Market Committee in New York receives the bill of the promoter itemizing the products they intend to sell. The delivery date will be made for a later date, e.g. thirty, sixty or ninety days. These bills are then stamped for future delivery. This acceptance is then deposited with the Federal Reserve Bank as collateral for new currency. This money may then be sent to the foreign customer to use in producing the item—or the money may even be sent in the form of gold. This enables the Insiders to manufacture the item without putting up any money. Foreign importers ship goods to the United States produced with cheap labor and financed by the credit of the United States. The reason for the "Kennedy Round" of tariff reductions is to permit more of this type of foreign imports to come into the United States, resulting in additional billions of profit for the money pool.

All of our wars, both before and after World War I, have been purposely provoked by the insatiable greed of the money pool and their multiple banking and political affiliates.[15] Phony incidents are

provoked and then ballyhooed by the puppet press to make people accept the continual wars in the belief that we are either defending ourselves or fighting Communism. Wars produce huge debts, and huge debts produce huge profits for the bank manipulators and their corporate insiders. It also makes the people ready to make more sacrifices and accept more controls than they would otherwise tolerate in an era of peace. Our foreign policy since World War II was designed to prevent the winning of any wars, and the continuation of fighting all around the world. We are being unilaterally disarmed while the might of the Soviet is being built up with our money and knowhow. At some future date a "takeover" of the United States can be achieved with relative ease. Can we assume that all the mistakes and errors of judgment in domestic and foreign policy were simply mistakes, or was it all planned that way ?

Our standard of living is directly related to money regulation. Our present society is capable of producing an undreamed of capacity for plenty for all citizens. But with our feudal monetary system, there is no future for America except slavery and insolvency in a totalitarian worldwide slave state called world government.

Many people feel that money possesses no real value unless it is backed up by gold, silver or both. We must remember, that from the dawn of civilization man has used some form of exchange. Barter became cumbersome and other methods of exchange were developed. Coins of various metals have been used for centuries, including bronze, silver and gold. As civilization progressed, gold became more generally used for jewelry and objects of art for the palaces and churches. But as far back as the Babylonian period receipts were issued for metal coins and other valuables which were stored in the temple. This was the beginning of the fractional reserve banking system. The gold standard can be traced back to King Nebuchadnezzar of the Babylonian period. During Christ's lifetime the custom of issuing shekels to those who worshipped at the Temple was highly developed. These shekels were the only contribution the religious pirates of the time would accept. Shekels were issued in greater amounts than the valuables stored in temple vaults. As a result those who controlled the money became rich and powerful and able to control the fortunes of kings. Christ Himself regarded them with contempt and chased the money changers out of the temple.

When the fractional reserve system was reintroduced by the goldsmiths centuries later, the same practices were followed. When occasional runs on the goldsmith bankers occurred, there was insufficient specie to redeem the receipts. This left most people holding the proverbial bag. Had the money been issued by the government (not borrowed from private bankers) in proportion to the needs of trade and commerce, such ridiculous practices as fractional banking would never have developed. Yet today millions of people follow this ancient argument on the necessity of having a portion of metallic backing for money. This means that only a small percentage of the people have "redeemable or convertible" money. This obvious absurdity continues to dominate the thinking of even many monetary experts. How does one determine the percentage of money which would be redeemable, and therefore valuable ? And who selects that group of citizens who will hold the winning receipts ? If only ten or twenty per cent of the money is redeemable, it means that eighty

or ninety per cent of the people are holding worthless currency. Isn't this an absurd system upon which to base the issuance of a nation's money ? There will be those who envision the utter collapse of the value of our money and they then want the security of having gold or silver coins for emergency measures. It is precisely this fractional, inflatable, collapsible, privately-owned unstable monetary system which has enabled the manipulators to reduce the value of our money to a fraction of its former value. Hiding gold or silver coins for an emergency is hardly the solution for a system which has brought monetary collapse to the nation.

Gold has always been an integral part of this fractional reserve system of swindling the public, and it continues to be the cornerstone on which the money pool has built its international fiscal empire. The control of the money mob has been so absolute that they have been able to convince Congress to (a) go on the gold standard when it was advantageous to the manipulators, and to (b) reject the gold standard when it was in their interest. They also have been able to get their puppet legislators to put a dollar value on an ounce of gold. How did Congress arrive at this figure ? Value does not exist in the abstract. It depends on free market exchange and should follow the law of supply and demand. People will then determine what price, (value) they attach to a given product. Yet our Congress has attempted to regulate the value of this commodity by setting it first at $22.00 an ounce and later raising it to $35.00. A pegged gold price insured lack of fluctuation in the international markets. And this is the purpose behind the manipulation.

Gold was chosen because it is a commodity close to the goldsmiths' hearts. Its price should be regulated by a free market wherein it would eventually find its own price level. By tying it to money and using it as a basis for international exchange, it gave the money pool the power to move it back and forth among nations, collapsing currencies in one country after another.

Preservation of stability has been the argument used for the adoption of a gold international exchange standard. The example of a firm selling products abroad is cited as an illustration. Payment is desired in a currency which will have a relationship with the value of the product or loan. However, this is the exact opposite of the law of the free market which allows prices to swing freely and become self-correcting. Additionally, if business and industry desire to invest in plants and products in other nations, it should be assumed as a business risk and not passed on to the American taxpayer in the form of guaranteed payment in case of currency fluctuations or defaults. The stabilized exchange is the dream of the bankers and this is the reason the gold standard has been used. In a market economy there will be occasional imbalances, but these will be largely self-correcting, if allowed to do so. Under the rigid gold standard rule the exchange rate remains stable but it results in internal price fluctuations. It is an artificial pegging which may have no relationship to the value of the money of a given country.

Another problem with the gold exchange standard is that its prices are controlled by those who run the foreign exchanges. In this way international price levels can be determined by a small group who can move gold from country to country, causing both stock booms and slumps. If a nation has a little gold, it has a little money if this is to be the standard. There is no relationship in the international exchange market between gold and the standard of living. We can, therefore, see that

it is a banker-devised artifice to use gold as an arbitrary standard of value. Also, we see wealth as being related to gold which is the inverse way of handling the problem.

Although the money pool has prevailed upon Congress to value and revalue the price of gold, there is no power to fix commodity prices given in the Constitution. The Constitution does grant to Congress the power to regulate weights and measures as well as money, but not the power to fix the price of a commodity. It also does not grant Congress the authority to deprive American citizens of their right to own gold. This high-handed outrage by the national government has permitted foreigners who owe us billions of dollars, to drain our treasury of its last ounce of gold. It then proceeds to prevent American citizens from owning gold if they so choose and even makes coin collectors felons if they inadvertently purchase a coin of a forbidden date. The injustice of this is obvious.

In the United States we have a fulcrum currency. This may be defined as a currency which is issued by a nation on a gold standard wherein the internal price of gold will not be changed. This situation is taken advantage of by other countries by raising the price of their gold and making a profit on the transaction. This puts the fulcrum country at a disadvantage. This planned difficulty has been overcome by the money manipulators by simply abandoning any gold backing for our domestic dollar and then allowing all the dollar creditors to claim their payment in gold rather than dollars. By bringing the gold to other countries it will create a problem as the gold has no value unless it can be sold to still another buyer at a higher price.[16] Most countries will never have enough gold to deal satisfactorily under such a system, and if the gold standard is maintained, it will mean poverty to most of the nations in the world as there simply isn't enough gold in the world to adequately back all the transactions which an increasingly higher standard of living would demand.[17]

Most of our difficulties over the problem of gold have been nurtured and taught by the agents of the goldsmith fractional reserve crowd. We must not regard gold as money nor as a necessary backing for money, since money itself is not wealth. Money is a vital necessity in a commercial society for the transaction of business and the exchange of goods. Money is representative of wealth which is the productivity of the entire nation. Legal money should be issued for the benefit of the entire nation and should not be the private monopoly of a self-anointed few. Money should be representative of wealth and therefore valued against the wealth (productivity) of the nation. Wealth must not be valued to money. To put it another way, if you have a $100 legal tender bill issued debt free by the government you are a creditor on some form of tangible wealth valued at $100. The Federal Reserve System has made debtors of Americans through their usurpation of the money-creating powers reserved for Congress. "Owners of money are community creditors. Money is a national, never-ending interest free debt of the aggregate citizens legal claim for wealth on demand."[18] Money in itself is not wealth. It functions as a measure of value, a store in value or a medium of exchange. Wealth consists mainly of two types : (1) perishable, such as food, exhaustible commodities such as natural gas, coal, etc. and (2) capital wealth represented by the facilities which are used to produce wealth and their products. Money is a relationship between

things that people need in their lives. We might say that virtual wealth consists in the production and services rendered by all of the citizens. This constitutes our standard of living. "Total wealth equals total standard of living worth. It then follows that level of average prices proportionate to quantity of money. And purchasing power of money is inversely proportionate to standard of living."[19] When people view money as wealth they are in reality saying that when the unconstitutionally created Federal Reserve System issues money it is issuing wealth. Obviously circulating debts cannot be considered wealth. When people realize that our money represents debts they would realize that it is vastly better to have the wealth of the nation as a backing for our money. This is exactly what our Constitution provided for, but which the international money manipulators have prevented from becoming a reality for over two centuries.

The ideal situation would be where money is tied to neither gold nor debt. Unfortunately, in the United States today we not only have circulating debts for money, but face a situation whereby the banks, through the use of credit are able to virtually create money of their own. Because of the inherent evils of a fractional reserve method of banking, only a small percentage of money reserves are held against actual loans. Again we see banks creating something out of nothing and charging high interest rates for their services. In an honest money system a debt would not be a dangerous situation because it would be a free market exchange which would be mutually advantageous to both debtor and creditor. When the debt is a pyramided structure as it is at present, based merely on a credit entry, a very unhealthy and economically dangerous situation exists. Legitimate borrowing is a normal function of the commercial world but it should represent a value exchange. With an honest money system, one dollar would represent a dollar's worth of wealth.

The fundamental concept of our Constitution was that the creation of money was a function of a sovereign power. To delegate this vast power to a private monopoly giving them control of our nation's wealth and economy is tantamount to treason. Our money supply should be interest-free and issued in proportion to the needs of the nation. There should never be a shortage of money and any nation enjoying an honest money system would find its citizens living an affluent life. To have our material livelihood depend on the existence of debt is the most absurd doctrine we moderns have swallowed in the realm of economic thought. Most of our so-called statesmen are mere puppets who have no notion of the workings of the economy. Usually some self-appointed, foggy minded "expert" from a Keynesian school of thought will attempt to lead the blundering politicos into the enactment of legislation desired by the money manipulators.

What would happen if the United States went off the gold standard. It really has, but we haven't been told this. The gold standard was officially repealed during the Roosevelt administration for domestic use, but retained for international manipulations. A two-tiered price system is now being used which this author believes will eventually be abandoned by the goldsmith manipulators. They will no longer need it when an international currency becomes a deadly reality. Meanwhile foreigners may purchase what is left of our gold at $35.00 per ounce for resale to other purchasers at higher prices. If the United States refused to buy or sell gold at all, the price would collapse and the speculators would be left holding the bag. This would cause wholesale dumping of gold

everywhere and this metal would eventually find itself back into industrial use where the price level would be determined by the free market. But the International Monetary Fund now manages the gold and the matter is out of the hands of the United States.

It is quite obvious that the United States is not an affluent nation. Our nation stands on the brink of bankruptcy. Its citizens are overtaxed, mortgaged and in debt. This chaos has resulted from the evil rule of this Babylonian, fractional reserve debt money system inaugurated by persons in high places. There is no logical necessity for an entire nation of people to be indebted to a small group of international privateers. The money changers must be driven from the temple and an honest money system restored to our nation or we will become a vassal state in a world monetary slave empire.

It is imperative for the functioning of a sound economy to have a stable dollar. Because of the banker controlled issuance of money in the world today, we have seen mad gyrations in currency values and wild inflation in almost every country. Our own nation has not escaped the devastating effects of the devaluation of our dollar, which is simply another word for inflation. Compare prices of today with those of a few years ago and you will see what has happened to the value of your money. It has wrought hardship on older people who have retired on a fixed income. In many cases their standard of living has become oppressively low, bordering on pauperism. This amounts to outright larceny on the part of the government. It is also manifestly unfair to the business community where a creditor may be paid in either half or twice as much as he borrowed, depending on the conditions of the currency at the time of the transaction. Insurance policies and pension plans are meaningless when an individual is unable to evaluate the purchasing power a dollar may have in say five, ten or twenty years. If the value of money declines by five per cent per year (e.g., a five per cent inflation rate), at the end of ten years his purchasing power will have been reduced by fifty per cent. On a twenty year endowment plan he will be throwing away his money if he invests in such a scheme. Because of this situation, many investors are attempting to put their money in "inflation hedges." Why should we need inflation hedges in the first place ? Why can't we have a sound dollar which would be the best inflation hedge in the world. The culprit in our lives is a government which has permitted a select group to have a private monopoly over our economy — and is doing nothing to correct the situation. We now face the point in history where the visible government in Washington goes through the motions of putting legislation on the books which the "invisible government" has ordered. The puppets on a string are obeying their masters and destroying the people, whom they are supposed to be representing.

A sound money system is not an impossibility. In order to achieve this goal, it will be necessary for enough informed, and enraged citizens to force the degenerate politicians to repeal the Federal Reserve Banking Act and all illegal international treaties which have delegated the sovereignty of the United States to the international money manipulators.

If we had an honest, constitutional money system we would pay no interest on our dollar. It would circulate tax free for years. It would eliminate the necessity of having to pay huge interest rates on the purchase of a home, car or other necessities. It would bring undreamed of prosperity to our

nation. Mothers would not have to work and leave their children unsupervised, a problem which has contributed greatly to juvenile delinquency. Fathers would not have to moonlight, as their income from one job would be adequate to support their families on a decent standard of living. Citizens would no longer have to spend over six months each year to earn the money stolen from them by banks and the tax collector. When one realizes that a person purchasing a $20,000 home on a twenty year mortgage at five per cent interest pays over $38,000 back, one realizes the extent of the fraud on the people—and the enormous profits realized by the money changers.

If we had an honest money system, the usurers would not be able to purchase educational, union and political leaders or to corrupt nations. The tax free foundations would be outlawed and their sinister influence on our educational institutions and children would cease. We would not only restore monetary sanity to the country but would begin to reconstruct a world based on reason and morality.

How can we achieve this end ? Only when enough Americans are aware of the problem and demand that Congress repeal the Federal Reserve Banking Act as it now stands. The Goldsborough Money Reform Bill, HR-9216, introduced August 22, 1935, was never passed. The Rarick Bill; H.R.351 has recently been introduced. Those supporting this bill say that nobody in Washington will touch the subject of money. WHY NOT ? How long will the citizens permit their continued economic and monetary enslavement to a gang of international monetary criminals. Once we become free of these parasites, other nations would soon follow suit. They would be thrown out of nation after nation and a golden age of prosperity would be ushered in.

Steps necessary in the establishment of a sound money system :

1. Return to Congress the Constitutional power to issue money as provided in Article 1, Section 8, Clause 5. Abolish the practice by banks of creating deposits on fractional amounts of reserves.

2. New money would be issued and the Federal Reserve Notes would be called in and exchanged on a dollar-for-dollar basis. The Goldsborough Bill suggests that the new money be called Certificates of National Credit.

3. Creation of a Monetary Authority Commission whose duty would be to determine the volume of money needed to maintain a stable dollar.

4. Tie the issuance of National Credit Certificates (money) to some acceptable index, e.g., the Consumer's Price Index or Gross National Product. Using a constant of 100; the money will be issued or withdrawn as the Index raises or falls. This would insure that the value of money would never fluctuate more than two per cent, from one per cent above to one per cent below the constant.

5. Issuance of money will be dependent on the production and consumption of goods and services. This would prevent any artificially tightening of money. Thus the needs of commerce, industry and the people at large would be adequately met.

6. End the system of permitting commercial banks to make loans on the basis of fractional reserves. Require all loans to hold 100 percent reserves on demand deposits. These reserves will be legal tender, not a credit entry on a book.

Under this arrangement, money will not be created out of debt. It will not be borrowed into existence and created out of nothing. Money will represent the ability of the nation to produce goods and services. Thus the wealth of the nation, not its ability to pay debts, will serve as the backing for the money.

By having such a monetary index the people would be able to gauge the value of their dollar at any given time. They would be able to buy insurance and know that its value would be almost constant in the years ahead. This would prevent depressions because when the price level drops by one per cent, action will immediately be taken by the Monetary Authorities to rectify it. Under our present system, when credit is withdrawn, as it is being done now, with the artificial increase in interest rates, business activity dries up, fewer loans are available, people hoard their money and make fewer purchases. This is how depressions are made. Under a constitutional money system, depressions and inflations and artificial money shortages could not occur. Under a constitutional money system there would be no inflation to destroy the value of money and purchasing power of citizens. The Income Tax would be repealed and this would represent a tremendous amount of buying power which the American people could now spend as they see fit. Government would be reduced to its proper role, that of protecting the nation from attack and the citizens and his property. The business of empire building for the revolutionist bankers would cease. This would also end wars, both hot, and cold. An armed service of adequately paid professionals could be instituted, thus ending the draft. Young men who desired to make the armed services their career could do so and be paid the same wages they would earn in private industry for a comparable job.

The prosperity which man could enjoy would be unprecedented in history. Government would not be permitted to intrude on the private lives of citizens and foreign aid would cease. As other nations adopted a sound money system, they too could extend their prosperity as their industrial capacities increased.

“Our national indebtedness to the private Federal Reserve System is the most vicious form of human bondage, servitude and slavery ever known in the history of the human race.”[20] Let us end this bondage to this criminal cartel and recapture our God-given right to be free men again. Our future can either be doom or the dawn of a new era. And this future is in the hands of the American people. We have so little time left. Let us act before it is too late.

THE NATIONAL DEBT IS ILLEGAL AND THEREFORE SHOULD BE UNCOLLECTIBLE BECAUSE

It is based on the issuance of Federal Reserve Notes WHICH ARE :

1. Issued as a result of an unconstitutional delegation of power by the government to a private corporation

2. A violation of the laws of usury
3. A fraud against the American people
4. An outrageous exploitation of the wealth-producing citizens
5. Based on no lawful consideration
6. Confiscation of property without due process of law
7. A denial of equal protection of the law

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1. The Federal Reserve Bank of New York conducts most of the international operations of the system. According to Herbert V. Prochnow, in his book, *The Federal Reserve System* (New York : Harper & Brothers, 1960), p. 275: "In December, 1958, the Federal Reserve Bank of New York held accounts for the central banks or governments of seventy-four foreign countries and acted as fiscal agent for such international institutions as the International Monetary Fund, the International Bank for Reconstruction and Development, and the International Finance Corporation (Bretton Woods Agreements Act. Sec. 6: International Finance Corporation Act, Sec. 6)"

2. James L. Knipe, *The Federal Reserve and the American Dollar, Problems and Policies, 1946-1964* (University of North Carolina Press, 1965).

3. Warren Jefferson Davies, *The Federal Reserve System, Legal or Illegal*. p. 6. Hawthorne, California, Omni Publications, 1966.

4. Trendex (February 21, 1969), San Antonio, Texas.

5. Curtis B. Dall, *F.D.R., My Exploited Father-In-Law*, Tulsa, Oklahoma, (Christian Crusade Publications, 1967), p. 119.

6. Wickliffe B. Vennard, Sr., *Conquest or Consent* (Boston, Massachusetts: Forum Publishing Co., 1965), p. 155.

7. Wickliffe B. Vennard, Sr., *The Solution to the Federal Reserve Fraud*; Aawthorne, California, Omni Publications. 1968, p. 4.

8. Wickliffe B. Vennard, Sr., *Solution to the Federal Reserve Fraud* (Hawthorne, California : Omni Publications, 1967). p. 6.

9. Economic Education Bulletin (February, 1970), published by the American Institute for Economic Research, Great Barrington, Massachusetts.

10. Warren Jefferson Davis, *The Federal Reserve System, Legal or Illegal ?*

11. *Fundamental Facts About U.S. Money* (Atlanta, Georgia; Federal Reserve Bank of Atlanta, 1968).

12. Emanuel M. Josephson, *Roosevelt's Communist Manifesto* (New York : Chedney Press, 1955).

13. Wickliffe B Vennard, Sr., *The Solution to the Federal Reserve Fraud*, p. 27.

14. Ibid. p. 25.

15. "The responsibility for World War I rests solely upon the shoulders of the International Financiers. It is they upon whose head the blood of millions of dying rest." Senate Document No. 346, 67th Congress, 4th Session.

16. *The Merchant Bankers*, Joseph Weschberg, New York, Pocket Books. Division of Simon and Schuster, Inc., 1968, p. 71. A clerk who had worked in the gold vaults at Hambros Brothers remarked : "I read somewhere that the entire gold reserves in the world would only be a pile fifteen yards on each side. To think how much violence has been committed for that pile of gold."

17. "We're approaching a breakthrough in our battle against the nonsense of international finance. There is more than a sporting chance that the next time the monetary system, which is built on the lie of the unchanging value of gold, goes into a spasm, it will crash down. People will have to give up pretense and return to the simple truth that gold must price

itself against everything else in a free market." Enoch Powell, M.P.

18. Durwood O. Gilfillan, *Treason By Law* (San Jose, California: Book Distributors, 1966), p. 10.

19. *Ibid*., p. 11.

20. Wickliffe B. Vennard, Sr., *The Solution to the Federal Reserve Fraud* (Hawthorne, California: Omni Publications, 1967), p. 27.

Chapter V
TAXATION AND FOREIGN AID

The graduated income tax is now
in graduate school.
—AUTHOR

Ever since the dawn of history, mankind has regarded taxes and death as inevitable. The fact that these two concepts have always been so closely associated, however, indicates the true nature of taxation. Our forefathers knew that the power to tax was the power to destroy, and our own American Revolution was largely fought over confiscation of their property without the willing consent of the victim. And confiscation of private property is really what taxes are all about. Essentially, taxation is a method whereby those in control (government) plunder the victims (citizens) who have neither the organization nor political strength to resist. The concept of taxation also presupposes that a given minority of powerful politicos have the right to live off the labors of the productive citizen. This concept has become so ingrained in people's minds that the thought of reducing or eliminating taxes will bring protests from even the victims themselves.

People have been told for centuries that the government exists for their protection and that the wise and superior men who comprise the ruling elite are to be given their homage, earnings and even their lives, if requested. No one dares to question the right of these plunderers to enact legislation binding on the citizen-victim who has neither participated, nor in many cases even approved of such measures. One of the basic requirements in all contractual agreements among civilized men has been that consent is required when individuals may be legally bound by the actions of another. Even where one party to a contract was unable to write, provision was made for an appropriately-witnessed mark or seal to signify assent. Yet government, at all levels, grinds out thousands of laws annually which attempt to bind every citizen in the land to thousands of situations over which he knows nothing, was never consulted, nor probably would have consented. This amazing caricature of justice parades itself as government, which purports to act for all the people in any matter it deems appropriate. We, the victims, have permitted this process to extend to such a degree that the helpless people in the United States are close to being reduced to a future of serfdom.

Some sixty million Americans now exist as feudal vassals serving their master, the government, by spending six months and eleven days out of every year to pay off the tax grab which descends upon them from every governmental level.[1] In addition to the standard withholding, social security and miscellaneous payroll taxes, we often forget that government charges heavy fees for the so-called services they render. Under these categories come the section they call protection and privilege. It is here that we find the multi-licensing racket and the indirect taxes which are hidden in the merchandise we buy and the food we eat.[2]

Inflation and the cost of living are further eroding the value of our dollar. In 1968 alone the cost of living rose 4.7 per cent. In the years 1958 to 1968 federal spending increased by 103 billion dollars. It is estimated that there are now around 48 million people either directly or indirectly on the federal payroll.

The plunderers (government) have always regarded themselves with an especially high degree of admiration, and like most ruling classes, possess a form of megalomania. The citizen-victim has always been regarded as fair game for exploitation and as governments get larger, they become more arrogant, corrupt and tyrannical. Even without the ruthless insider criminal-elite who have selected themselves to be our planet's helmsmen, government is a woeful product of history. By adding the pan-globalists' plot to centralize all the world's assets under their fanatical control, it becomes a situation so grotesque that it almost defies belief. Secrecy has always been the chief weapon of the criminal plotters and the absurdly anti-intellectual, allegedly humanitarian propaganda their method. Whenever a new plot was launched upon the American people the true purposes were never revealed. Instead the exact opposite of their actual intent was usually ballyhooed. This is how the idea of an income tax was thrust upon the American people. The Insiders were planning to soon launch their central bank so an agency would be needed to collect the vast sums of

money they planned to eventually confiscate from the taxpayers. This money would then be used to pay interest and redemption costs of the bonds which were to be exchanged for their private-brand currency. The pitch used to soften hearts, however, was that “poor government” needed additional revenues.

The Income Tax Amendment was adopted in February, 1913, as a part of a multi-purpose plot to centralize the wealth ca the nation into the hands of a small group of millionaires. When this amendment was adopted it gave Congress the power to collect taxes on incomes “from whatever source derived, without apportionment among the several states.” At this point we should ask whether the 16th Amendment repealed Article I, Section 2 which states : “Representatives and direct taxes shall be apportioned among the several states.” Also, Article 1, Section 9 which specifies that “No capitation, or other direct tax shall be laid, unless in proportion to the census or enumeration herein before directed.” Furthermore, Article 1, Section 8 provides for punishment of counterfeiting the securities and current coin of the United States. Thus direct taxes are forbidden within the body of the Constitution and then along comes the 16th Amendment which establishes direct taxes, without apportionment. Additionally, the Federal Reserve Banking Act violates Article 1, Section 8, Clause 5 which provides that only Congress shall have the right to coin money and regulate the value thereof.

The conspirators who engineered the Income Tax Amendment were carrying out one of Karl Marx’s basic plans for the confiscation of the property of the middle classes (bourgeoisie), e.g. the graduated, progressive income tax. Another of Marx’s monetary planks was the creation of a central bank, which the conspirators knew would be the sequel of the Income Tax Amendment. With a privately-owned central bank which mould be empowered to issue money to the government in exchange for obligations (bonds), it would then be in a position to ultimately control the entire economy of the nation. They also knew money would be needed for the anticipated World War I, and thus the climate was somewhat more receptive to the idea of an income tax.

When the Income Tax Amendment was first enacted, the tax started out at the minute rate of one per cent of family incomes which exceeded $4,000. We must take into consideration that a 1913 income of $4,000 would approximate $9,800 in 1968. Because the tax rate was small in the beginning, there was a naive acceptance of the purposes of the tax. Its real purposes were not discovered until many decades later.

The tax structure was designed to create a situation wherein certain segments of the population would be taxed but other favored segments would remain untaxed. This explains why we have huge foundations which have millions of tax-free dollars to spend on “educational” and other purposes. Much of this money has been used to promote Socialist, One World collectivism and an anti-individualist mentality. The tax structure was also devised in such a way that the productive middle and working classes would be shouldering the burdens of the costs of government while the millionaire elite would remain virtually tax free. This tax bonanza for the wealthy has been achieved through the use of tax-free foundations, trusts, etc.

The following table will indicate what has happened to the income tax since its adoption in 1913.

GROWTH OF THE PERSONAL FEDERAL INCOME TAX[1]

Year	No. of Individual Tax Returns	No. Taxable Returns	Total Tax	Avg. Tax	Ratio of Taxpayers in Population
1913	358,000	?	$ 28,000,000	$ 78	
1916	437,000	363,000	173,000,000	476	One in Each 281
1920	7,260,000	5,518,000	1,075,000,000	195	One in Each 19.3
1925	4,171,000	2,501,000	735,000,000	294	One in Each 46.3
1930	3,708,000	2,038,000	477,000,000	234	One in Each 60.3
1935	4,575,000	2,111,000	657,000,000	311	One in Each 60.3
1940	14,665,000	7,505,000	1,496,000,000	200	One in Each 17.9
1945	49,865,000	42,764,000	17,225,000,000	403	One in Each 3.1
1950	52,656,000	38,187,000	18,375,000,000	481	One in Each 3.9
1960	60,593,000	48,061,000	39,464,000,000	820	One in Each 3.8
1968	66,000,000	55,000,000	73,200,000,000	1331	One in Each 3.7

[1] United States Bureau of Internal Revenue: Statistics of income (from years indicated above) Washington, D.C., Government Printing Office.

The pro-income tax propaganda has become so much a part of our thinking that the average person cannot visualize a nation without a tax on income. They forget that this nation functioned 137 years without one (except for a few brief encounters in war periods). Any mention of lowering or abolishing the income tax will evoke worry on the part of the tax-drained and propagandized citizen that the government would then not have the necessary money to carry on its functions. Government would have all money it needed to carry on its necessary and legitimate functions if it would limit its activities to those prescribed by the Constitution. The national government was set up to preserve peace, protect property and perform a few limited functions. The vast majority of the activities in Washington today were achieved through unconstitutional usurpation of power by the Socialist collectivists. It is quite apparent that this evil octopus intends to become our master with the goal of total regimentation of our lives from conception to cremation. Additionally, government should issue its own money and not borrow it into circulation.

A look at the typical American taxpayer will demonstrate that the middle and working classes are being outrageously exploited by the vicious Socialist king-oriented cartel.

THE TYPICAL AMERICAN

According to the *Saturday Evening Post*,[3] the following was a profile of the average middle class man in 1966-67: he was a 45-year-old voter, earning nearly $7,500, living in a suburban home valued at $13,000 ($6,800 mortgage, with annual interest of $400 plus amortization); additional payments included $100 in interest on other loans, $700 income tax, $200-$300 state and local excises, $250 real estate levies, and $290 Social Security.

This took about one-third of his income, leaving $5,000 to feed and clothe his family of four or five, pay for medical care and all other items, including college education for his offspring.

Consider a typical middle class couple, an independent businessman, whose wife is an efficient private secretary, both in their late forties, with no dependents. They earn about $8,500 each and should be building an estate for ultimate independence.

However, state and federal income taxes, real estate, sales, and excise levies total $5,797. In addition, they pay $1,500 in

> hidden and indirect taxes on goods and services. They work more than twenty-three weeks a year to meet these excises—forty-one per cent of their total earnings. This leaves about $11,000 of which they can save less than $500. If their contributions to Social Security and to an annuity program were excludable and if they had no federal income tax to pay, they could build an estate of $140,000 in twenty years on the basis of their present income.

More than 72 per cent of the personal income taxes come from people who earn less than $15,000 per year. The rich can establish a foundation permitting them to enjoy tax privileges, or through a number of other devices, escape many or all taxes.[4]

One of the most arrogant and feared arms of the national government is the Internal Revenue Service. For decades they have intimidated and harassed individuals and businesses whenever figures or records did not meet with their approval. They issue unconstitutional and dictatorial orders, invade privacy, and have become a tyrannical gestapo.

What happens to the average citizen who makes a slight error in his computations or takes a deduction which the Internal Revenue Service believes excessive ? He may be fined, his property may be seized or he might even be thrown in jail. All without benefit of due process of law as these tax decisions are made under administrative and not constitutional law. Since the Administrative Procedure Act of 1946 was enacted, the Constitution has been bypassed and the dictates of petty bureaucrats have become the “law of the land.” These regulations have violated every precept of constitutional law and harassed Americans should refuse to be further intimidated by them. It is high time we learned how to protect ourselves from government by reading and understanding the Constitution and refuse to obey any orders which are issued in violation of our constitutional and civil rights as citizens.

The gestapo-like tactics of the Internal Revenue Service are well known to almost every taxpayer. Standard procedure for this arm of government is to seize the property of a citizen whenever an excuse for such seizure can be found. Often a small taxpayer cannot afford to hire legal counsel or is too frightened to stand up against big government. Their tactics of fear, intimidation and violation of citizens’ privileges and immunities have made them one of the most hated groups in government. Many taxpayers are even afraid to correct a mistake regarding overpayment lest vengeance be directed against them by these “public servants.” How have we, the people, allowed such a bizarre situation to occur, much less to blossom into the nightmare which taxation, American style, has become ? Dare we resist the strong-arm methods of the Internal Revenue Service ? Here is what Senator Henry Bellmon of Oklahoma said in testimony before the Senate Finance Committee, October 2, 1969:

> If the taxpayers of this country ever discover that the Internal Revenue Service operates on ninety per cent bluff, the entire system will collapse.

We might ask the following questions of both Congress and the Internal Revenue Service :

1. When does income cease and become property ?
2. Are Federal Reserve Notes income, if they are not money ?
3. Can we say that Bills of Credit or obligations of the United States Government constitute money ?

It might be interesting for Mr. and Mrs. Average Citizen to review some statistics regarding income taxes which affect every citizen. It takes the average citizen from January 1 to June 14 (1970) to pay for what governments on all levels seize from him.

While Mr. and Mrs. Average Taxpayer struggle under this confiscatory burden of taxes and high prices, we note that the tax-free foundations function blithely without these harassments, despite the recent fraudulent flurry of Congressional concern over the matter. Little will be done to correct these abuses until a nationwide tax rebellion develops into a thundering avalanche of enraged protests against this outrageous betrayal of America.

A study of tax returns made by Dr. Martin Larson reveals some interesting statistics. In 1963, 20 of the 371 people with an income of $1 million paid no taxes at all. The tax laws were set up to create a tax-free millionaire class and he

therefore has many weapons available to him that the rest of us don't know about or can't afford. The millionaire may exclude from his tax return many items, including gifts, bequests, royalties covered by depletion allowances, and many other devices available to the monied elite. One of the favorite methods of the tax dodge by the privileged set is the foundation. This device offers many advantages. The donor may retain control of his money through the foundation. He may be able to borrow at low interest rates. He is usually in a position to choose management in accordance with his political or social philosophy. Also, property such as real estate, art, etc. may be contributed to the foundation in inflated values which also reduce the tax bite.

The *U.S. News and World Report* of March 3, 1969 said that there are more than 20,000 tax-free foundations with assets exceeding 20 billion dollars. Why does a white or blue collar worker pay to the hilt, while the millionaire elite escape taxation ? Where did the idea of a tax-free foundation originate ? We must go back to 1913 when the One Worlders put this grotesque legislation on the law-books. They had painstakingly executed this gigantic swindle on the American public. So certain were the conspirators that their plans would be enacted into law that the Income Tax Amendment was passed in February, while the companion money-monopoly legislation became our Christmas present that year, being passed on December 23, 1913. This legislation had been well planned and its results were known to those who sponsored the measure. Its purpose was to reduce the American Republic to a monopoly of wealthy Socialists who would control all facets of the government and all assets of the nation. These same Socialists have an arrogant contempt for the average person and feel that they alone are qualified to make decisions. They also have the power which money gives them and are used to having their directives obeyed. Subordinates don't generally disagree with the Chairman of the Board, and Board Chairmen are all too frequently members of the Council of Foreign Relations power cabal.

Frequently wealthy families establish many foundations. The Fords have seven, the Carnegies five and the Rockefellers twelve. Another device used by the knowledgeable big time investor is the tax exempt security. Illustrating this point, Dr. Martin A. Larson, economist, observed that "one of the nation's richer women put a $56 million legacy into tax-free bonds and was in the enviable position of enjoying a yearly income of more than $1.5 million without having to report it on her income tax return." Another gimmick to make your blood sizzle is the oil depletion allowance. The result of this legislative trickery permits such oil giants as Standard Oil Co. of New Jersey to pay an income tax of less than 2 per cent in 1964. California Standard that year paid out 2.1 per cent and Texaco less than 1 per cent.

Here's how the oil depletion allowance works : A company leases the right to drill and agrees to pay a royalty to the owner of five to ten per cent for any oil or gas found. If none is discovered, the expense becomes an ordinary developmental business expense. But if oil is found, the owner receives only a royalty on the amount actually obtained. In addition to ordinary business expense, the company is allowed to deduct an additional 27 per cent of the gross income up to fifty per cent of net. This is true even if there were no capital investment to depreciate or deplete in the first place.

International oil interests aren't the only ones to be found in Viet Nam and elsewhere. To finance the global empire of the Insiders, it is necessary to continually bolster the faltering economies of Communist nations. Multiple programs involving financial aid and support are devised under grand-sounding titles, which are usually as deceptive as their intent. An example of this is the subsidy program financed by U.S. taxpayers officially called East-West trade. Each year more and more valuable products are permitted to be exported to Communist countries and their satellites. Such items as machinery, chemicals, industrial supplies and other vital war materials are being sent in increasing amounts. For example, in October, 1966, Secretary of Commerce John T. Conner announced that the Department of Commerce had revised the Commodity Control List to permit over 400 non-strategic commodities to move under general license to the U.S.S.R. and other Eastern European Communist countries. Another revised Export Control bill was passed in October, 1969, lifting the ban on more than 1,000 additional items necessary to their war effort. The value of these exports in 1971 will be a 29% increase over the previous year. A list of companies and individuals operating under these general licenses would make interesting reading.

The propaganda cry of the “liberal” left Socialists in Congress is that the promotion of East-West trade will bring peace. This is so obviously false that anyone sponsoring such treason should be swiftly removed from public office. This isn’t trade. Most of these materials are being paid for by the long-suffering American people as few of the Socialist-Communist nations are either honorable or solvent enough to pay their debts. These maneuvers are merely devices to permit the World-Government group to move their products into the Communist-controlled zones for two purposes : 1) payment is assured as the tab will be picked up by Uncle Sam in case of default : 2) to further weaken the United States financially, militarily and politically.

The mere presence of corporations in foreign countries is not in itself a danger. The danger arises when a monopoly develops through the device of interlocking directorates and close co-operation with various banking interests. When the monopolists are able to combine the corporate control with the money-issuing powers, and have succeeded in welding these two factors into integrated control, they become the deciding force in all major nations. And this is exactly why the United Nations banking complex is so busy with their financial empire building.

Since 1960 the middle and working classes have been particularly squeezed by the increase in government expropriation at all levels. The total tax burden for the average family has doubled in this period due largely to rising state and local taxes and the increase in social security and surtaxes. According to *The Exchange*, published by the New York Stock Exchange, March, 1969 issue, “It is this middle class discontent that is really upsetting to officials and why, as one of his last acts, President Johnson’s Secretary of the Treasury, Joseph Barr, warned of a “middle class revolt” unless the structure of taxation is changed.” What they’re not saying is that this type of talk is only for publication, but that the total confiscation of all our wealth is planned and will continue unabated, unless the American wakes up from his docile acceptance of government tyranny. Americans must realize that governmental has become his total, dedicated enemy and that all of the chaos, rioting, wasteful spending, foreign aid, wars that are called peace-keeping ventures, form the fabric of the bizarre pattern which the Insiders have constructed to thrust the United States into a brutal dictatorship under their control. Once enough people understand this they will begin to take the action necessary to unwind the skeins of power which are being tightened slowly around our throats and restore our nation to a Constitutional Republic. They will also dismantle that bulging bureaucracy in Washington and eliminate about ninety per cent of the offices and personnel which now dictate to us in every facet of our lives.

Washington has done a monumental job of wrecking the value of our dollar, by wasting money beyond our wildest imagination. Unchecked all-powerful government becomes the most urgent danger in our lives, as it always tends to increase its power, bureaus, spending and taxation.

Inflation has been a continuing problem in this country for decades, but its effects were less perceptible in previous years. Nevertheless, between 1940 and 1969, $600 billion in savings were lost to the American people due to inflation. If the present trend accelerates, we may face the same situation that occurred in Germany between 1914 and 1923.

PRICES IN GERMANY (in Marks

	1914	1918	1922	1923 Summer	1923 November
Potatoes (pound)	.04	.12	80	2,000	50,000,000,000
Egg (one)	.08	.25	180	5,000	80,000,000,000
Beer (glass)	.13	.17	60	3,000	150,000,000,000
Meat (pound)	.90	2.00	1,200	90,000	3,200,000,000,000
Butter (pound)	1.40	3.00	2,400	150,000	6,000,000,000,000

The following statistics illustrate the nature of government to continually plunder more and more money from the citizen-victim.

THE SOCIAL SECURITY TAX ON EARNINGS: 33 YEARS OF INCREASES[1]

Calendar Years	Total tax rate-shared equally by employer & employee	Maximum annual pay subject to tax	Maximum annual tax-shared equally by employer & employee
1937-49	2.0 %	$3,000	$ 60
1950	3.0 %	3,000	90
1951-53	3.0 %	3,600	108
1954	4.0 %	3,600	144
1955-56	4.0 %	4,200	168
1957-58	4.5 %	4,200	189
1959	5.0 %	4,800	240
1960-61	6.0 %	4,800	288
1962	6.25%	4,800	300
1963-65	7.25%	4,800	348
1966	8.4 %	6,600	554
1967	8.8 %	6,600	581
1968	8.8 %	7,800	686
1969	9.6 %	7,800	749
1970-Present law	9.6 %	7,800	749
1970-LBJ proposal	10.4 %	9,000	936

[1] U.S. Bureau of Internal Revenue; Statistics of Personal Income Tax: various years indicated.

VALUE OF THE DOLLAR OVER PAST 30 YEARS[1]

The Bureau of Labor Statistics in the Department of Labor has compiled the following "value of the dollar" table based on the Consumer Price Index. All figures are for the month of November in each year.

1939	100 cents	1954	51.8 cents
1940	99.2 cents	1955	51.7 cents
1941	90.2 cents	1956	50.4 cents
1942	82.9 cents	1957	48.9 cents
1943	79.8 cents	1958	47.9 cents
1944	78.4 cents	1959	47.3 cents
1945	76.6 cents	1960	46.6 cents
1946	65.1 cents	1961	46.3 cents
1947	60.1 cents	1962	45.7 cents
1948	57.4 cents	1963	45.1 cents
1949	58.5 cents	1964	44.5 cents
1950	56.3 cents	1965	43.8 cents
1951	52.7 cents	1966	42.2 cents
1952	52.0 cents	1967	41.1 cents
1953	51.7 cents	1968	39.2 cents

1 *Human Events*, April 12, 1969.

Taking taxes and debt into consideration, it constitutes fifty per cent of the gross national product per taxpayer. The national family income of 1967 was $7,100. Totalling taxes and debt liquidation, this would constitute seventy per cent of his income. Is this prosperity ?

The nature of government, its structure, method of selection of personnel, all make it a totally ineffective tool for solving any problems. As absurdities and errors accumulate, the only solutions that government ever offers is continually more spending. When the situation sometimes becomes too bizarre for even the gullible American to accept, a commission to investigate the situation is appointed. The commission usually receives huge amounts of tax money for its investigations, and after months of wasteful nonsense, it comes up with the glittering new idea that the way to solve the problem is to simply increase the size of the failing program and spend more. This is particularly illustrated by the freakish programs emanating from governments at all levels. A glance at the following illustrative statistics shows the growth of the taxation confiscation route and the waste involved in government programs.

The national debt has grown $77 billion since 1960. Here is a record of that growth :

Fiscal Year	Public Debt
1960	........$286.4 billion
1961	.........289.2 billion
1962	.........298.6 billion
1963	.........306.4 billion
1964	.........312.5 billion
1965	.........317.8 billion
1966	.........320.3 billion
1967	.........326.7 billion
1967	.........351.5 billion

1968 ....363.5 billion

According to figures revealed in the *Congressional Record* on June 3, 1968, inflation during the past seven years has :

- added over $100 billion to the cost-of-living of our people.
- reduced the value of pension fund reserves by $17 billion.
- eroded away $15 billion from the value of U.S. Government and other bonds.
- eaten $13 billion from life insurance reserves.
- cost Americans a total of $188 billion—nearly $1,000 per person.

HELP THE NEEDY

For each $1 donated to the needy

- through an individual donation, there is no cost to get the $1 to the needy,
- through a voluntary charity organization, the cost is 27c to get $1 to the needy,
- through state government distribution, the cost is $1 to get $1 to the needy,
- through federal distribution, the cost is $3 to get $1 to the needy.

Source : National Association of Life Underwriters.

The income tax has been one of the most effective tools whereby the money pool was able to obtain control over the lives and property of citizens. Additionally, it gave the conspirators the chance to plunge the United States into unmanageable debt and planned bankruptcy. As of the beginning of 1970, the indebtedness of the United States is greater than that of all the combined nations of the world. Despite the propaganda campaign inaugurated by Keneysian pseudo-economists that a debt is meaningless because we owe it to ourselves, it is very meaningful indeed. This patently absurd argument finds spokesmen among professors, high school teachers and government apologists everywhere. Obviously, if we "owe it to ourselves" it isn't a debt. But we don't owe it to ourselves. We owe the debt to the bondholders, whoever they may be. The bonds are printed on government printing presses but carry varying maturity dates and rates of interest. Some are short term for periods of a few months to a year. Others are long term bonds which mature in five, ten or twenty years. These bonds have a fixed maturity date and interest rate. This debt is owed by the United States government and is payable by us, the taxpayers. It is our debt, and 12 USC 411 says so. It defines Federal Reserve Notes as obligations of the United States Government. This debt arises from the payment in government bonds to the privately-owned Federal Reserve Bank in exchange for their issuance of our nation's "money." At this point we should ask ourselves, why doesn't the government issue the money instead of the bonds ? This single issue is the crux of the entire problem. If the government issued the money in accordance with the provisions of the Constitution, we would not have the unconstitutional Federal Reserve Bank nor would it be necessary to have income taxes, estate, inheritance and gift taxes. Nor would a privileged Socialist cooperative sector in the business community exist. Foundations would be abolished and as a result their evil influence would be permanently obliterated.

The United States Government also prints the Federal Reserve Notes using government-owned printing presses and government-paid personnel. The only cost involved to the Federal Reserve Bank is the cost of the paper, which despite inflation, amounts to less than one cent per note.

Since the government refuses to issue its own money in accordance with the provisions of the Constitution, it must obtain the necessary revenue from the citizen taxpayers. Now the citizen taxpayer assumes the unconstitutional and illegal burden thrust upon him by a profligate and immoral government to repay a privately-owned banking monopoly $10,000 for every $10,000 bond issued plus interest. Remember, the issuance of these notes, whether a $1 or $10,000 note costs less than one cent. Additionally, the Federal Reserve Bank is able to use these bonds as collateral for

loaning out other money during the period of the lifetime of the bond. It has thus received a $10,000 bond, interest during the lifetime of the bond, and at maturity the government repays the bondholder the face value thereof.

We are now able to see how the Insiders and money pool have plundered the resources of the world's most progressive nation. They first gained control of governments through their monopoly over the issuance of money. They then established their tax-privileged sector on the nation's commercial and industrial sector. Further economic empire building is continually financed through the United Nations banking complex. Still another backdoor method of looting even more money out of American taxpayers has been through the ruse of foreign aid. The proponents of foreign aid have touted the absurd bromide that it was a means of fighting Communism, and that the receiving nations would become stable, prosperous and more democratic. Actually, the exact opposite of what they said happened. It was a means of establishing Communist-Socialist dictatorship everywhere and financing their absurdly ineffective economics. Money is needed for the empire builders and the United States is the only nation on the face of the earth with the industrial knowhow or economic development capable of coming up with enough cash to keep the show on the road until the entire world-government dictatorship could be overtly established.

Irate taxpayers should demand the immediate discontinuance of all foreign aid and let these nationettes stand on their own two feet. Our popularity quotient seems to be in inverse proportion to the money we dole out, and it has put a horrifying burden on our economy and balance of payments problem. Certainly if a program has fallen short of its intended goals after almost a quarter of a century of operation, its proponents should be kicked out of government and the whole program scrapped.

In December, 1969, Congress passed the smallest foreign aid bill in history. What Americans fail to realize is that much of the money previously appropriated by Congress has not yet been spent. Congressman Otto E. Passman (D. La.) presented figures to each member of Congress on August 1, 1969 showing that the Federal Government has more than $18.7 billion in unexpended balances from foreign aid authorizations. He added that as of that date, 121 nations had received aid since the inception of the program in 1946. Among other costs, was a $60 billion tab in interest alone. This gives the pan globalists the opportunity to continue their projects unabated and within a few short years Congressional appropriations will no longer be necessary as the International central bank will then be firmly established. This will operate exactly as the domestic central banks, using a fractional reserve banking system and extending credits to the member states on the basis of a quota relationship.

Our lunatic government has substituted aid for trade. The United States government is expropriating from its citizens money to pay for commodities and services which are being given free to dozens of foreign nations. Then we turn around and borrow money from more than thirty foreign nations to improve our balance-of-payments problem. An example of this will show how "friendly" these recipient nations are when they lend us money. Thailand has received over one billion dollars of American aid in both commodities and services. The United States borrowed money to pay for these items. This enabled Thailand to build a balance of payments surplus of over $1 billion. It took arduous and long diplomatic wrangling to get Thailand to agree to lend the United States a mere one hundred million dollars. Their terms were four and a half years at six per cent interest. This is an example of how our "friends" come to the aid of their benefactor.

If the outlandish waste of our tax dollars on foreign aid had produced any benefits for this nation there might be some faint reason for its proponents to seek its continuance. From the beginning, it has been used to fleece this country of its productivity, to establish competitive industry with our tax dollars, to suppress or overthrow constitutional government and to enable repressive and dictatorial regimes to continue in power.

The following charts indicate where our money has been squandered during the existence of this outrageous program.

Total net foreign assistance to 121 nations and 7 territories of the world
Fiscal Years 1946 Through 1969 — Statistics Finalized July 1, 1969
The Five F Formula :
Frustrating — Fanatical — Frightening — Foolish — But Factual

Afganistan	$ 370,500,000	Dominican Rep.	$ 461,500,000
Albania	20,400,000	East Germany	800,000
Algeria	193,500,000	Ecuador	268,900,000
Argentina	447,500,000	El Salvador	123,200,000
Australia	697,000,000	Ethiopia	357,000,000
Austria	1,106,000,000	Finland	30,200,000
Barbados	200,000	France	7,014,300,000
Belgium-Luxemburg	1,747,500,000	Gabon	7,500,000
Bolivia	532,000,000	Gambia	1,600,000
Botswana	16,500,000	Ghana	268,700,000
Brazil	2,772,500,000	Germany & Berlin	3,678,600,000
Burundi	6,800,000	Greece	3,681,200,000
Burma	84,700,000	Guatemala	318,800,000
Cambodia	341,400,000	Guinea	107,700,000
Cameroon	32,900,000	Guyana	61,200,000
Canada	46,900,000	Haiti	108,800,000
Cen. Africa Rep.	4,600,000	Honduras	109,400,000
Ceylon	158,900,000	Hungary	13,500,000
Chad	8,800,000	Iceland	67,300,000
Chile	1,410,000,000	India	7,464,400,000
China Rep.	5,006,900,000	Indochina	1,535,200,000
Colombia	962,700,000	Indonesia	940,100,000
Congo (B)	2,000,000	Iran	2,047,100,000
Congo (K)	440,900,000	Iraq	96,800,000
Costa Rica	172,600,000	Ireland	122,900,000
Cuba	43,800,000	Israel	860,200,000
Cyprus	20,300,000	Italy	5,393,700,000
Czechoslovakia	189,500,000	Ivory Coast	69,000,000
Dahomey	12,000,000	Jamaica	76,400,000
Denmark	875,900,000	Japan	3,606,900,000
Jordan	635,300,000	Singapore	33,900,000
Kenya	62,700,000	Somalia	76,200,000
Korea	7,817,200,000	South Rhodesia	2,000,000
Kuwait	49,400,000	Spain	1,960,000,000
Laos	643,300,000	Sudan	97,200,000
Lebanon	86,200,000	Surinam	10,000,000
Lesotho	4,800,000	Swaziland	500,000
Liberia	228,600,000	Sweden	156,000,000
Libya	221,500,000	Syrian Arab Rep.	60,400,000
Malagasy	13,400,000	Tanzania	65,400,000
Malawi	25,900,000	Thailand	1,144,900,000
Malaysia	76,300,000	Togo	14,900,000
Mali	21,300,000	Trinidad-Tobago	55,400,000
Malta	6,700,000	Tunisia	606,600,000

Mauritania	3,300,000	Turkey	5,391,200,000
Mauritius	1,400,000	Uganda	35,800,000
Mexico	569,000,000	United Arab Rep.	900,900,000
Morocco	685,300,000	United Kingdom	7,690,700,000
Nepal	129,600,000	USSR	186,400,000
Netherlands	2,050,500,000	Upper Volta	12,100,000
New Zealand	66,800,000	Uruguay	154,600,000
Nicaragua	158,000,000	Venezuela	361,500,000
Niger	16,700,000	Vietnam	5,856,000,000
Nigeria	275,000,000	Western Samoa	1,500,000
Norway	1,130,200,000	Yemen	42,800,000
Pakistan	3,527,300,000	Yugoslavia	2,593,400,000
Panama	221,200,000	Zambia	9,800,000
Paraguay	116,900,000	Bahamas	34,700,000
Peru	476,300,000	Brit. Honduras	5,200,000
Philippines	1,839,900,000	West Indies	8,000,000
Poland	453,800,000	Hong Kong	43,800,000
Portugal	477,100,000	Ryuku Islands	399,100,000
Rwanda	7,400,000	Trust Ter. Pac.	225,300,000
Saudi Arabia	70,300,000	CENTO	54,700,000
Senegal	36,200,000	W/W Regional	14,896,500,000
Sierra Leone	40,900,000		

Total Net Disbursements to Foreign Nations 1946-1969 $122,048,200,000
Total Net Interest Paid on What We Have Borrowed to Give Away 1946-1969 $60,535,175,000

GRAND TOTAL — Cost of Foreign Assistance — 1946 through 1969 $182,583,375,000

OF THE 3½ BILLION PEOPLE OF THE WORLD, ALL BUT 36 MILLION HAVE RECEIVED AID FROM THE U.S.

OTTO E. PASSMAN, Chairman Foreign Operations Subcommittee on Appropriations July 1, 1969

UNEXPENDED BALANCES IN PIPELINE FROM PRIOR YEARS FOR FOREIGN AID PROGRAMS 1. Foreign Assistance (Mutual Security)............$5,225.932,000
2. Foreign Military Credit Sales Fund................222,000,000
3. MAAG's. Missions, and Milgroups.....................5,000,000
4. Military and Economic Assistance (in Defense Budget)1,086,000,000
5. Export-Import Bank, Long-term Credits...........3,296,800,000
6. Export-Import Bank, Regular Operations............193,400,000
7. Export-Import Bank, Uncommitted Borrowing Authority 5,288,300,000
8. Public Law 480 (Agricultural Commodities)..........507,748,000
9. Inter-American Development Bank.................2,109,494,000
10. International Development Association............103,600,000
11. Asian Development Bank...........................130,000,000
12. Peace Corps.......................................35,619,000
13. Permanent Military Construction - Foreign Nations 390,000,000
14. Contributions to International Organizations........2,838,000
15. Educational (Foreign and Other Students)...........29,263,000
16. Ryukyu Islands.....................................7,705,000
17. Migrants and Refugees..............................3,616,000
18. Trust Territories of the Pacific Islands...........16,551,000
19. Inter-American Highway............................14,146,000
...............TOTAL.............................$18,708,016,000
OTTO E. PASSMAN, Chairman Foreign Operations Subcommittee on Appropriations

July 1, 1969
TO WHOM IT MAY CONCERN :

GOLD HOLDINGS
Gold Holdings, United States December 31, 1950 $22,879,000,000
Gold Holdings, United States December 31, 1968 $10,367,000,000
Gold Loss by United States 1950 through 1968 $12,512,000,000
Gold Holdings, Other Countries of the World December 31, 1968 $28,028,000,000
Gold Holdings, Other Countries of the World December 31, 1950 10,935,000,000
Gold Increase, Other Countries of the World 1950 through 1968 $17,093,000,000

SHORT-TERM DOLLAR CLAIMS AGAINST UNITED STATES
Short-term Dollar Claims Against United States December 31, 1968 $35,665,000,000
Short-term Dollar Claims Against United States December 31, 1950 8,645,000,000
Short-term Dollar Claims Increase Against U.S. 1950 through 1968 $27,020,000,000

U.S. BALANCE-OF-PAYMENTS
1950 Net Deficit $— 1,912,000,000 1960 Net Deficit — 3,800,000,000
1951 Net Deficit — 578,000,000 1961 Net Deficit — 2,400,000,000
1952 Net Deficit — 1,100,000,000 1962 Net Deficit — 2,200,000,000
1953 Net Deficit — 2,100,000,000 1963 Net Deficit — 2,660,000,000
1954 Net Deficit — 1,500,000,000 1964 Net Deficit — 3,006,000,000
1955 Net Deficit — 1,100,000,000 1965 Net Deficit — 1,306,000,000
1956 Net Deficit — 1,000,000,000 1966 Net Deficit — 2,077,000,000
1957 Net Surplus — 500,000,000 1967 Net Deficit — 3,650,000,000
1958 Net Deficit — 3,400,000,000 1968 Net Surplus — 93,000,000
1959 Net Deficit — 3,700,000,000

Net U.S. Balance-of-Payments Deficit (19 yrs.) 1950 through 1968 — $36,896,000,000

GROSS PUBLIC DEBTS
Public Debt, United States December 31, 1968 $361,242,183,000
Public Debt, All Other Nations of the World December 31, 1968 304,160,241,000

Public Debt, United States EXCEEDS Combined Public Debt of ALL OTHER NATIONS OF THE WORLD BY (Estimate) $57,081,942,000

OTTO E. PASSMAN, Chairman Foreign Operations Subcommittee on Appropriations

The above are verified statistics covering (1) Gold Holdings, (2) Short-term Dollar Claims against United States, (3) United States Balance-of-Payments Position, 19 years, (4) Public Debt of the United States, (5) Public Debt of all other nations of the world, and (6) Amount by which our public debt exceeds combined public debt of all other nations of the world. It is not necessary for me to comment further. The statistics tell the full story.
OTTO E. PASSMAN, Chairman Foreign Operations Subcommittee on Appropriations

Another effect of this awesome waste may be shown in terms of our balance of payment problems and our progressive loss of foreign markets. In 1950 for example, only 32 countries were producing steel. Through the use of our money and technical know-how, many additional nations established their own steel mills with the most modern equipment. Our own mills cannot compete in many cases due to high labor costs and the inequitable tax write-offs which do not permit them to depreciate their old equipment fast enough to take up the lag. The result is that the United States is now the world's largest steel importer, using some twenty per cent of the foreign output. Remember, the majority of this steel has been produced with our dollars directly or indirectly and now it comes to our shores to compete with our own production.

Among some of the equally disastrous, but less visible effects of foreign aid, is the impetus that the money manipulators have given to the development of foreign markets. Through our financial and technological assistance, hundreds of plants, with the most modern equipment, have been built on all continents. This has been especially true in Europe, where the Common Market has been actively promoted. Goods produced in these nations are now appearing in the market places of the world. Millions of dollars worth of imports are pouring into this country, and

the economic impact on the American people is now being felt. Our unemployment rate is close to the six per cent mark, and many American industries have been virtually priced out of the market—both foreign AND DOMESTIC. It is impossible for a high tax, high cost country to compete with nations enjoying cheaper labor costs and a lower tax base.

This foreign aid racket, which has fleeced the American taxpayer out of billions of dollars for decades, still lives. The national debt and outrageous taxes give mute testimony to the fiscal effects on our nation of these irrational policies so relentlessly pursued by Congressional betrayers. Yet despite the economic disaster which now faces America, the spendthrift Congress has come up with a glittering answer. MORE SPENDING. It now plans to subsidize every industry and worker put out of business or a job by these insane policies. Has America gone completely mad ?

Not only has the foreign aid program been a contributing factor in the imminent financial collapse of this nation, but the whole program has been riddled with waste and corruption since its inception. Money has been spent on bribing corrupt foreign officials—many of whom have become millionaires. The money we have poured out in these programs has left our nation with a balance-of-payments deficit of about 540 billion. During this period, our gold supply has sunk from $30 billion to a little over $11 billion. It is also noteworthy that those nations which have received the largest dollar amounts in foreign aid have been the ones to drain us of our gold.

No one will ever know how many untold billions of Americans' earnings have been thrown to the winds through outlandish waste in the foreign aid program alone. The Office of the Inspector General of Foreign Assistance (IGA) of the State Department is the agency which is supposed to be the watchdog on the handling of foreign aid programs which are handled through the Agency for International Development (AID). The March 7, 1969 Congressional Record reviews 60 examples of AID's spending policies in 37 of the 120 countries receiving United States aid. This was the unclassified report. The classified reports are not made public, therefore, the government is at liberty to conceal its entire contents. A few examples revealed in the unclassified report are listed below :

WASTE IN FOREIGN AID
Congressional Record—Senate : March 7, 1969. S2391-2394.

Country	Gift	Cost (if known)	Remarks
Afganistan (1959)	Twin engine C-45 airplane		Only used a few times. Remained idle in airport.
Bolivia	53 trucks	$320,000	Government unaware that they were in country.
Brazil	Airport cleaning machine		Never used. Left in customs warehouse 11 years
India	20 cases of AID financed heavy equipment		Goods had been put in storage and not used.
Turkey	Money	AID controlled local currency	Used to finance gambling facilities in local hotels.
Vietnam	Pipes and fittings	$40,000	Cost of air transportation of goods worth $6,000.
Vietnam	Teletype Equipment	$125,000	$25,000 additional spent on airlift for goods. No need or use for the equipment was indicated
Columbia	141 U.S. military assistance financed radio vehicle installation units.	$14,000	Columbia declared they were not needed.
	Tires	$60,000	Government wanted to buy its locally manufactured tires.
Ethiopia	Vocational training project	$120,000	AID deferred this purchase of equipment during Congressional investigation.
Greece	Uniform cloth	$225,000	Greece was given IGA, Treasury and State Dept. co-operation in obtaining a loan to buy this cloth for its military uniforms.

Iran	Official visitors from U.S. (1175 in one year alone)	$20 per diem allowance plus $979 round trip airfare from Washington to Tehran.	What were they inspecting ?
Nicaragua (1967)	U.S. government bought local currency	$900,000 U.S. dollars given for local currency	Sub-loans were then instituted
Senegal	Engineering Equipment	$500,000	Never used
Tunisia	Agricultural repair shops	$560,000	Many of the shops were not open and others were "underemployed"

These examples could be extended to cover pages, but these few illustrations indicate that the bureaucrats in Washington are determined to throw our money away at all costs. Much of the material which is funneled into these greedy nations never reaches the intended sources. Local corruptors cooperate with the American corruptors and make private deals whereby all benefit, except the long suffering American taxpayer. There are also numerous examples of American officials receiving AID money to pay for living and other expenses although other appropriations have been made for these purposes. All in all, an evaluation of the AID program, as well as all the other giveaways proves it to be worse than useless. It is a disaster. It is quickly impoverishing the United States and has all but destroyed our ability to create customers for our products through a competitive free market. Most of these nationettes are run by dictatorial and corrupt officials who view our give-away programs with the contempt which they deserve. Any nation which attempts to subsidize the entire world and then invite international abuse will receive exactly the kind of treatment which America has received on the international scene. Since we have lost control over our elected "Representatives" in Washington, we must take any means necessary to stop the further dismantling of our nation. We must refuse to aid and abet our own destruction by financing it. A taxpayers rebellion involving millions of angry and outraged citizens is the first step toward a reversal of the planned destruction of our once great nation.

Foreign aid has produced only one major accomplishment. It has enriched those who administer the program and the Insiders whose corporations benefit from the various deals which are arranged by their collaborators. This weird and economically unsound approach for the distribution of the money, the fiscal absurdity and lack of results speak for themselves. One of the most effective arguments against foreign aid may be found in the example of Indonesia. It was only after foreign aid was cut off that economic progress began there. This should be an object lesson to us in the future. A nation should not need to depend on handouts from the taxpayers of a foreign government for its existence. And it's about time that the American citizen begins to reclaim his right to exist as free men and not to remain economic vassals for exploitation by governments and their sinister collaborators around the globe. We must realize that all these phony arguments about fighting Communism, helping developing nations, etc. are simply propaganda devices to keep an outflow of dollars into areas where the money pool wants to exploit resources for their own profit. Without our handouts these nationettes would begin to find ways of developing themselves or revert to their tribal status.

The Washington government will not change, but will continue its treacherous course until millions of Americans become an actual menace to its continued existence. How we have remained complacent and apathetic so long is somewhat of a mystery, but probably the continually rising taxes and theft of the rest of our property through planned inflation might provide the trigger which will cause such an eruption that the traitors will at last reverse the course. Final betrayal into a world dictatorship is already well along toward completion, and when the subsidized mobs in the streets can be triggered to slaughter millions of Americans at random, the conspirators will have achieved all but the mopping-up operations. Remember that all the banker-sponsored revolutions have not only aimed at destroying constitutional government but have butchered large numbers of innocent victims. If the overthrow of the government had been the true purpose of the Communist revolutions, this wholesale destruction of lives would never have been necessary. A revolution is merely a revolt against the group in power. When the *out* faction succeeds in ousting the *in* group, it should be over. But this demonic cult not only wants total power but plans to wage a war of genocide primarily against the middle classes who might stand as a potential threat to their total power. A world populated by serf laborers ruled by the billionaire mob is our future unless we halt the destructive finale which is about to be

launched.

For decades the propaganda drive has been designed to make us feel guilty about defending ourselves against our enemies. This is obvious nonsense. One of the most basic of all human attributes is the survival instinct. However, suicidal or sacrificial tendencies have been substituted and an extremely neurotic view of life substituted. While we have been mercilessly exploited, we are made to feel guilty if we dare to entertain even token resentment against our oppressors. They have made us feel guilty when we should have reacted in anger. They have perverted our minds, religion, education, art, economy, constitutional rights and civilization. Mankind's most noble emotions, including love, have been twisted into tools for political and social subversion. Now the effects of these years of cunning reversal of truth are beginning to be apparent in every aspect of our lives. By these techniques they have almost succeeded in neutralizing all opposition to their weird, upside-down world. By controlling our thinking, they have been controlling our actions and reactions for decades. It is now time for us to revise our attitudes and rediscover the wonderful art of rational judgment and a moral basis for human conduct. When we do, our course of action will become crystal clear.

Remember the wise words of the Bible give us a clue as to how we must deal with these usurpers.

> Be ye not unequally yoked together with unbelievers : for what fellowship hath righteousness with unrighteousness ? and what communion hath light with darkness ? II Cor. 6:14 Shouldest thou help the ungodly, and love them that hate the Lord ? therefore is wrath upon thee from before the Lord. II Chron. 19:2

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1. Statistics from National Taxpayers Union, Suite 300, 415 Second Street N.E., Washington, D.C. 20002.

2. There are 151 different taxes on a loaf of bread, 150 on a woman's hat, 600 on a house, even 100 on an egg. Warner & Swasey advertisement.

3. Dec. 23, 1967 issue.

4. The Federal Government now spends $22,000 per second. This figure becomes higher with each new spending scheme.

Chapter VI
THE TWO ECONOMIES

America will spend itself into national ruin.
— Lenin

We have seen from our examination of the structure of the tax system in the United States that it was designed to exempt the privileged few from the obligation of supporting the profligate government. There is yet another aspect to the sordid betrayal of America by the political opportunists in Washington. Few people realize that another group of tax exempt or tax favored institutions exist within the business community. What is true for individuals is also true for business enterprise. We have two classes of corporate citizens : the tax favored and the taxed. The tax favored or tax exempt institutions have been woven into our economic fabric so cleverly that few people are able to identify them or distinguish them from ordinary businesses. These organizations not only receive tax favored status but also special legislative treatment. Millions of Americans are probably unaware of the economic impact these institutions have on the individual taxpayer or corporate business enterprise. Millions of Americans are also probably unaware of what these institutions are or how to recognize them.

Probably one of the most familiar of these tax-favored entities are the cooperatives. Just what are the cooperatives and how does one identify them ? Here is a list of these legislative favorites : that part of our economy which is free from the regulations, burdens and tax discrimination of the ordinary business community, the unfree business sector.

1. Labor and agriculture cooperatives
2. Mutual insurance companies
3. Credit unions
4. Utility cooperatives
5. Savings and loan associations
6. Mutual investment companies
7. Miscellaneous cooperative organizations (benevolent, fraternal, not for profit, beneficial, etc.)[1]

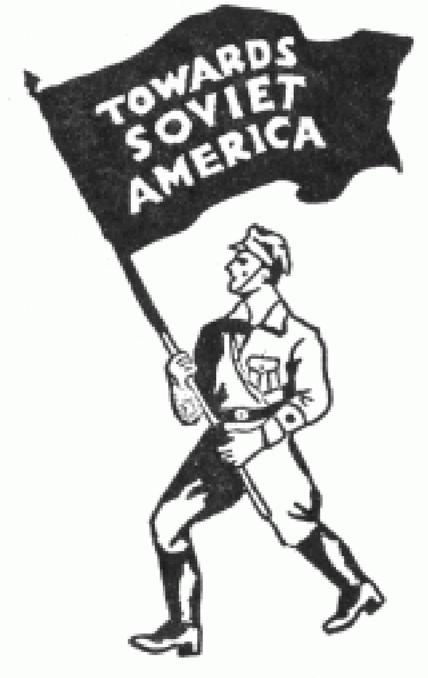
Since most people are so familiar with these institutions, very little unfavorable reaction may be felt until one begins to dig beneath the surface. When thousands of quasi business enterprises are given special consideration, it means that the tax burden must be shouldered by the other segment of the business community, e.g., the private enterprise sector. The presence of this privileged class has the same effect on the tax rate of corporations as the presence of tax-free individuals has to the private citizen. It simply increases his tax burden to cover those not paid by the untaxed privileged ones. One might say that two economies exist within the United States, free enterprise and cooperation (Socialism). Since the word cooperation or cooperative has become so much a part of our

economic vocabulary, most Americans probably regard these institutions as a legitimate and desirable part of our national economic structure. It is even doubtful if more than a small fraction of the people employed in or associated with these organizations have any idea of their subversive nature. The ultimate purpose of the cooperative movement is to destroy private property and the profit system (free enterprise) and substitute a planned economy which will be ruled by the elite of the cooperative movement.

The cooperative movement had its origins in England. The headquarters of the cooperative movement is in London where the International Cooperative Alliance is located. It is estimated that there are cooperatives functioning in about 59 nations and that their members number over 200 million people. There are some 25 million cooperators in the United States alone, including thousands of college students, who are being trained and indoctrinated with the ideas of cooperative Socialism. The International Cooperative Training Center is located at the University of Wisconsin in Madison. It is here that future labor leaders are trained and funneled out into the various organizations and countries, including international labor movements and other areas where they will be able to utilize their training in a supervisory or administrative capacity.

The ultimate aim and teachings of cooperation is to establish a world federation. Prior to the 1930s they used the hammer and sickle as their symbol but they then adopted the multi-colored rainbow flag which cooperators fly on July 1, International Cooperation Day. Socialism has been called cooperation on a grand scale, and Communism is sometimes referred to as Socialism in working clothes. According to present plans, the United Nations World Government will be superceded by International Cooperation when the world will be divided up into administrative regions and governed by the self-selected few.[2]





international co-operative alliance
alliance cooperative internationale
internationaler genossenschaftsbund
mezdunarodny cooperativny alliance (Russian)

> "It is a principle ... and a dominant aim ... of the International Cooperative Alliance, a world organization, to transform the capitalist profit-seeking system into a cooperative social order, in other words, into a Socialist order of society. This is the aim of every Communist worker. But the means which we propose differ from those which the cooperators of other political creeds advocate as the correct ones. We believe that if this aim, the elimination of the capitalist profit-seeking economy, which is the aim of the International Cooperative Alliance is to be achieved, we must be quite clear that it can only be realized if the whole working-class movement does away with those who, as the factors of power of the bourgeoisie in every part of the world, continually threaten the workers. This we cannot achieve by traveling along the smooth road of evolutionary development, but we must wring it from the possessing classes by fighting against them."

> "The Cooperative League of the United States is the national organization which connects the cooperative societies of this country with the International Cooperative Alliance. Strengthening the societies of the United States means strengthening the International Alliance. The foundation that is building in this country is more than national; it is part of a world structure." (C.L. 1930, p. 3)

> "The Cooperative League of America not only affirmed in its last congress that the cooperative movement is primarily a labor movement, but has started a campaign against the income tax law." 12th, 121, 1927.

> "Co-operation is a labor movement fundamentally." (Consumers Co-operation p. 208)

> "Under universal cooperation society as a whole would dominate, and all the labor groups would be

subservient to it" (Consumers' Cooperation p. 214)[3]

Although cooperatives have been in existence in the United States for over 60 years, it wasn't until the advent of the multiple-termed President Franklin Roosevelt that the co operative movement was given the legislative thrust which established it on a grand scale. Social and economic experimentation was launched in almost every sphere of human activity in an attempt on the part of government to alter, change and regulate the lives, thinking habits and property of the citizens. The statists were now in control and their plans of conquest were launched. Despite the fact that government control (Socialism) has existed for thousands of years and has produced only starvation and stagnation, the statists were prepared to resurrect the corpse. Ancient Egypt, China and other early civilizations had suffered under the yoke of what might be termed Communism (total government control) and the effects were always famine, misery and reversion to the agrarian economy.

During the Industrial Revolution a degree of economic emancipation occurred, and in two centuries the world saw such progress as had not been achieved in the previous 6,000 years. This progress was largely due to the inovativeness of scientists, thinkers and plain people who applied common sense to the problems they met in their daily life. In the American Colonies the early settlers arrived with little more than sheer courage, but they forged cities, industry and prosperity undreamed of in Europe or elsewhere, where the heavy hand of the state was ever present. In other countries it may be truly said that progress occurred in spite of government and allied hierarchies, as in earlier centuries, disagreement with the king could mean a man's life. The king was always on the side of reaction. Now these reactionaries were fully in control and they began to shatter the greatest experiment of mankind, economic freedom, into the ancient shackles of repression, regulation, and the archaic control of man and his total environment by the rulers. But the statists want undisputed power, and they will continue to strengthen their arrogant rule over the lives of millions until either our economic achievements have been dissipated or people rise up in rage and refuse to obey these parasitic dictators.

An example of early cooperative legislation will be found in the establishment of the Farm Credit Administration. Under this act, dated June 16, 1933, C98 (Paragraphs 2, 3, 40, 48, St. at L., pp. 257, 264, 265) the governor of the Farm Credit Administration was authorized to establish banks for cooperatives in each city where a Federal Land Bank was located. These banks were authorized to make loans to cooperative associations. The central bank for all the cooperatives was located in Washington, D.C. This bank was permitted to make loans to cooperatives and also to banks for cooperatives.

The Roosevelt years of centralizing legislation would never have been possible without the planned, prolonged depression which continued for years after the stock market crash in 1929. Government was held up to the people as being its benefactor. Didn't government create work projects ? Didn't government see that the unions became so strong that labor could now get higher and

higher wages by engaging in crippling strikes and boycotts ? Whenever mankind needed comfort, aid and money, government was there to give it, or so it was pictured to the people. What government officials did not tell the public was that the entire economic collapse had been planned so that the despair of the nation could be repaired by a seemingly kind and beneficent government in order to gain more power and control. Also, we were not told that had we been given our constitutional and honest money system in 1930 immediately after the crash, our economic troubles could have been over within three to six months. With an honest money system, government could have spent money into circulation rather than borrowing it from the private Federal Reserve monopoly. Money would have been available for industry; expansion would have occurred, and jobs would have been plentiful instead of scarce. Prosperity would have replaced depression. But the planners could never have tolerated this turn of events, for without misery and depression, they could not have woven the skeins of government tyranny around the throats of the American people.

During the era of Franklin D. Roosevelt, the cooperative movement was given every possible aid by Washington. It was during these years that the nation was being pushed into the orbit of total government control and legislation was being rushed through with lightning rapidity, establishing the basic framework for this privileged sector in the business community. It must not be forgotten, however, that due to the well planned depression that began with the stock market crash in 1929, the Hoover administration jumped immediately into the act of attempting to restore the country to "normal." Most of the plans presented and enacted revolved around a now familiar theme—creation of multiple bureaus and agencies under central direction funded with tax or borrowed money. In 1929 the Agricultural Marketing Act had been passed which established the Federal Farm Board. This agency was empowered to make loans to cooperatives at low interest rates. Public works projects were inaugurated and the Reconstruction Finance Corporation was established. They loaned money to businesses which could not get conventional loans, and later the act was extended to include loans to agriculture, cities and even states for public works.

John Maynard Keynes, who advocated all-out government intervention in economic matters, became the economic cultism which have given grasping bureaucrats an excuse for economic plunder under the lofty title of central planning.

Unemployment Figures
1930 .... 4,340,000 1938 10,390,000
1931 .... 8,020,000 1940 8,120,000
1932 .... 12,060,000 1945 .... 1,040,000[4]

World War II came to the rescue in 1939. A flood of war orders inundated industry. Soon millions of men were in the armed services and anyone employable was able to work. But a war does not solve an economic dilemma. The powers which stage-managed the whole era had simply moved their world into a new dimension of horror and exploitation.

It is possible that some of the Congressmen and Senators during the 1930s were unaware of the

sinister power exercised by the money pool. There were several courageous people who did attempt to inform them—but no one would listen. Congressman McFadden was knowledgeable on the matter of our money problems and he continually attempted to alert Washington to the presence of alien and sinister forces within our nation. In 1934 Congressman Louis T. McFadden (Pa.) was able to insert into the Congressional Record of May 3, 1934 remarks in which he warned of the similarity between the Fabian Socialist plans operating at that time in England under the political economic organization known as "Freedom and Planning" with the N.R.A. and other "brain trust" type schemes within the United States. He also noted that "this association (the Foreign Political Association) was largely organized and fostered by Felix Frankfurter and the late Paul N. Warburg." In his book *Conquest or Consent*, W.V. Vennard quotes author Annie Riley Hale as saying, "There never has been such a thing as free enterprise or industry since the establishment of our crooked, haywire banking system, nor will there be so long as this system is sanctioned."[5]

Another phenomenon originating in the 1930s was the virtual abandonment by Congress of its role as an initiating lawmaking body. Instead it became a fawning rubber stamp to the legislative experiments which made their way in increasing frequency from the Presidential desk. Congress began to abdicate its role and the courts began to reinterpret law in accordance with the Socialist doctrines of the Fabians, who had by now firmly established their control in almost every facet of government. Americans were treated to a steady stream of "let government do it" propaganda until the average person developed the attitude that only the planners could solve problems. Mountains of literature and newsprint were devoted to the wonders of government intervention, and the utter failure of the free market. It was never even imagined that there could even be a counter argument to the harangue of pro-government propaganda. In fact, any counter arguments were eventually forgotten and people tacitly accepted the notion that when elected, a political puppet donned the mantle of omniscience and became qualified to reshape our destinies. Even businessmen became infected with this doctrinal malaise. Along with the abdication of individualism, Americans soon became the greedy seeker of government booty. Good father government gave his children according to their needs (demands)—there were public works projects, war industries with adequate overtime pay, social security, insured savings, and a mountain of "goodies" which were represented as being divinely due to each and every person simply by virtue of his existence. The good dispenser of these bounties was the government in which the president became personified by the father-king concept. Father king would allow no harm to come to his nation. Everyone was affluent, everyone was provided for and everyone continually wanted more of these "free" privileges. Soon the once individualistic American begged and shouted his complaints about the failure of the political button pushers to achieve the millenium. More voices were raised "demanding" more security, money; more of everything that government was able to dispense. People did not bother to consider that to achieve almost full employment, it was necessary to raise an armed force of over twelve million men. Few also bothered to analyze that with the World War II years busy producing materials of destruction, the transition phase into civilian goods would reach a relatively untapped market. There was such a long, buildup demand that this abnormal situation was regarded as prosperity. And again government was given the credit. Few also

bothered to worry about taxes. They were high, true, but look at all the benefits beneficient government had given us. It was only later that a few people realized that World War II had been planned—that the very people sitting in Washington had been advised by military intelligence that the Japanese code had been broken prior to Pearl Harbor advising of the imminence of attack. This same government which was so busy giving us prosperity did it via the path of economic depression, war, the dismantling of our constitutional republic and the debauching of our currency. Now, many people doubt that huge federal expenditures and skyrocketing taxes really represent prosperity, but the mold has been set and it is difficult to turn the tide around to prevent the avalanche of economic chaos which many believe is near.

Despite the warnings of the few, the king's men in Washington wasted no time in riveting their control on an unsuspecting nation—all in the name of benevolence.

During this period "the other economy" was nurtured and strengthened by the free-loaders in Washington. They no longer bothered to legislate. They merely pushed buttons and enacted any and all weirdo legislation requested by the Socialist banker-accommodating Franklin D. Roosevelt and his successors.

Before we proceed to examine the two economies, we should do what the liberal sloganeers never do—define terms.

> "The words `cooperative company or association' mean a company, corporation or association which authorizes the distribution of its earnings in part, or wholly, on the basis of or in proportion to, the amount of property bought or sold to members or members and to other customers, or of labor performed or other services rendered to the corporation."[6] "A beneficial association is an organization, whether voluntary or incorporated, which has been formed primarily for the protection or relief of its members or their dependents and not for profit."[7]

One of the most prominent features of the cooperative setup is the conspicuous tax advantages they enjoy. Many are totally tax exempt. Due to this loss in tax revenue, it has been estimated that the tax loss is now some $50 billion per year. These deficits are then made up by extra levies on the hard-pressed legitimate business enterprise and the middle and working classes. This unprivileged group is all that is left to carry on the burden of the elite, tax-free individual, foundation or favored cooperative business enterprise. Mutual fire and casualty insurance companies were at one time tax exempt, but due to considerable opposition they are now taxed, but at a fairly low rate. Savings and loan associations were also similarly tax exempt but due to mounting political pressure, they are now also required to contribute their pittance for appearances sake. There are over 41,000 cooperative organizations in the United States which do not pay any income tax at all. We must begin to recognize the existence of these institutions, study their effects on the economy and demand that the Socialist "corporate" structure be removed.

These "not for profit" institutions were usually formed under the statutory authority of Congress or individual states and the articles of the association usually defined the liabilities of the members.

We must note the emphasis on the negative aspect not for profit. This reflects the high disdain the Fabians have for a profitable enterprise, provided that it is not within the realm of the favored cooperative setup. "Not for profit" does not mean that tax favored enterprises do not make profit. They are often very profitable. The "not for profit" symbol in a corporate setup usually indicates a tax free or tax favored institution which owes its special privilege to the "not for profit" tax advantages it enjoys. This is again one of the hallmarks of the two economies, the privileged sector which exists as a result of the ability of the free enterprise segment to absorb the ever increasing taxes, costs of doing business, borrowing money, discriminatory taxes, research and development costs, high labor costs, etc. Despite the handicaps under which the non-privileged sector has been working, it might be said that they are virtually carrying the burden for the entire nation. It has been from this sector that the phenomenal progress of the last several decades has emerged. It has been from the taxed (unfree enterprise) segment of American business that we have seen the first venture into space become a reality. Through the taxed segment of our business enterprise has come the phenomenal developments in chemicals, packaging, miracle fibers, transistors, computers and dozens of other innovations continually emerging from the corporate spectrum. Despite their privileges and exemptions, little of any value has been contributed by the cooperative segment to the American business community. The research and development in the American business community has been the phenomenon of the millennium. The inventive genius of mankind is ever alert to find new avenues in which to channel the mysteries of science into giving us an ever increasing array of new products and ideas. It has been estimated that within the next decade the way-out luxuries of today will become commonplace necessities for the average family. A two-car home is now considered almost mandatory for millions of Americans. Modern homes with swimming pools dot the suburban landscape—and the newest fad, the second home, may be reality within fifteen years for millions more. But with all the innovations of free enterprise, the statists are determined to saddle the world with their antiquated theories of government and economics. Their moves have been steadily in the direction of more centralized control—the destruction of individual rights and freedom, and a controlled economy—by them, naturally. This direction has been firmly established and followed for over forty years—with lawmakers grinding out the Socialist legislative package, often without even bothering to pay much attention to the content, nor its effect on our nation.

The statists cannot understand the operations of that part of our economy which represents the free market. Even with its manifold controls, it is the envy of the world. While the hippie and anti-social type continually rant about a reversal into agrarian bliss, loud howls are engineered through the United Nations to give the "underdeveloped nations" the bounties of industrialization and progress. Although our system is decried by the totalitarian socialists, they seem only interested in the fruits of our economy without being willing to practice the disciplines necessary to produce progress in their own nations. Unless the free market is allowed to operate, and correct its own errors, we will see the world slide down into the scarcity and poverty so characteristic of a managed economy (Socialism). The king and his court have never concerned themselves with the welfare of the citizens. Even in 1795 James Madison noted this when he commented on "the old trick of

turning every contingency into a resource for accumulating force in the government." An economy is only free if it is permitted to operate without interference. It is a self-correcting phenomenon. If overproduction develops, a voluntary contraction will occur. The producers will gear their output to the needs, changing whims and demands of the consumer. In this kind of an economic relationship, the consumer is king. It is he who is catered to, courted with advertising, and for whom companies continually update their products to woo his buying. If the customer likes the product, he buys it. The more he purchases, the lower the price goes. If the product is unsuccessful, it will be withdrawn from the market or improved because of consumer rejection. A company which cannot meet competition fails. This is the law of the marketplace. The failures should not be subsidized. This is a direct contrast to the methods employed by the state monopolists who continually parade higher and higher costs of doing business—despite their legal freedoms, tax free or tax-favored status, low interest rates on borrowing, etc. Anyone who has ridden the public transportation system in Chicago, which is operated by a city corporation, knows what high costs mean. The fares have risen from seven cents in the 1930s to fifty cents, with still more increases promised. Compare the costs of a long distance phone call from Chicago to New York :

> 1940 $1.90 first three minutes plus 60¢ each additional minute
> 1950 $1.55 first three minutes plus 40¢ each additional minute
> 1960 $1.45 first three minutes plus 40¢ each additional minute
> 1970 $1.30 first three minutes plus 35c each additional minute
> (Station-to-station during business hours)[8]

The post office is another example of government bungling in its monopoly over the mail. Costs continue to go up as service continues to deteriorate. Between 1930 and 1970 the cost of sending a first class letter within the United States has risen by 300 per cent, with still more increases promised. Every time government meddles in the operations of a free economy and prevents normal corrections, more regulations pile up. As the regulations pile up, disastrous effects occur and more dislocations mount. Eventually the whole system is in a muddle and the bureaucrats blame business or free enterprise, instead of their own meddling.

There is no one individual or group of planners who are smart enough to anticipate the needs, buying, change of plans, success or failure of items, etc. in any nation on earth. Those familiar with the stock market will no doubt be familiar with the Dow Jones Industrial Averages. The Dow Theory believes that the market is able to anticipate and discount economic changes before they occur—that the industrial averages are a barometer of all the factors that affect our economy in any way and the various reasons (or lack of them) as to why people buy or sell stocks. However, the Dow Jones Industrials are a composite average of thirty of the nation’s leading industrial companies which represent over 35 per cent of the value of all the stocks represented on the New York Stock Exchange. And the average itself is the result of the free action on the part of investors, insurance companies, funds, etc. who determine by their purchases or sales what their feelings are regarding

the state of the market. To equate this type of action with a committee of political "yes-men" is absurd. For too many years this system of privileged enterprise has been functioning within the framework of our economy, not only enjoying tax benefits, but legislative favoritism "having been encouraged by both state and federal law."[9] It is time this monopoly is ended.

A Division of Cooperative Marketing has even been established by Congress "to render services to cooperative associations."[10] These associations are virtually immune from anti-trust laws and are favored by privileges and immunities in comparison to the other forms of business enterprises."[11]

Cooperatives are defined as cooperative or mutual organizations where the same persons are both owners and customers.

SOME DISTINCTIONS BETWEEN STOCK COMPANIES AND COOPERATIVES

Stock Company	Cooperative
1. Initial capital obtained from issuance of stock.	1. Often use revolving fund device to obtain capital from members.
2. Organized on basis of articles.	2. Formation of mutual or coops largely governed by special statute. A contractual relationship is established by constitution and by-laws under which the organization functions.[12]
3. Stock company organized under state laws of incorporation.	3. Co-ops are permitted a greater degree of control over a member's power to transfer stock than in general corporations.[13]
4. Stock may usually be sold to the public.	4. Stock of co-op or mutual may only be resold to association upon withdrawal by member.
5. Stockholders not liable for losses but may share in profits.	5. Members share both profits and losses.[14]
6. Subject to ordinary corporate taxes.	6. Often given special tax consideration.
7. Subject to anti-trust laws.	7. Congress has practically granted cooperatives immunity from prosecution under anti-trust laws.[15]
8. One vote per share on voting stock.	8. One vote per member or stockholder.
9. Profits may be distributed in form of dividends or plowed back into company for further expansion.	9. Distribution of profits to patrons often in proportion to volume of business.[16]
10. May buy or sell from any individual or business	10. Most of business is done with own members. Often members are required to buy or sell all produce to the association.
11. Stockholders not liable for acts of management.	11. Members bound by acts of company officers who arc regarded as agents of members.[17]

One of the primary sources of revenue for these associations is from members dues and levies. Unfortunately, many members of these associations are unaware of their contractual liability and general disadvantages of being involved in a cooperative setup.[18]

A building and loan association "is an organization created for the purpose of accumulating a fund by subscriptions and savings of its members to assist them in building or purchasing for themselves dwellings or real estate by the loan to them of the requisite money."[19] A building and loan association must be a mutual association, formed for the purpose of loaning money for home building.[20] Remember, officers and directors in stock companies are liable to the stockholders for their actions. In building and loan associations and other mutual organizations, the officers and directors are usually regarded as agents of the association and therefore are not liable to the shareholder members.

Few people realize that when they engage in business activities with a savings and loan association they fall into one of two categories. Those who borrow (take out a mortgage) become stockholders.[21] Those who deposit money are regarded as contributing to the capital stock of the association. When the mortgagee (borrower) has liquidated his loan he is regarded as having paid for his shares in full. His membership in the association then ceases. But as long as he owes money he retains his membership in the association.[22] During the period of membership "he is bound by its by-laws and is deemed to have notice of them upon becoming a member of the association."[23] His relationship to the association is that of debtor, stockholder and member. In his capacity of debtor, his "duties are to pay premiums, interest and dues."[24] And "in his relationship as a member, he is obliged to contribute to the losses and expenses of the common enterprise."[25] If people are unaware of these facts, it is not entirely their fault. They simply have not been told. In fact, every effort has been made to conceal these realities from the American public.

Savings and loan associations are different from commercial banks in several respects. Mutual cooperative organizations (savings and loan associations) are not permitted to engage in general banking activities. They may not deal in the capacity of trust company or trustee, issue bonds or deal generally in real estate. However, there are areas in which they have special legally-granted privileges and one of these is found in the realm of usury. "Generally contracts in building and loan associations are not regarded as usurious even when the payments by the borrower exceed the lawful interest on the loan."[26] In some states special statutes have been enacted exempting savings and loan associations from usury statutes and the constitutionality of these statutes has been upheld.[27] The money which these associations collect from members falls into such categories as dues, fines, premiums and other assessments. Mutual savings and loan associations were totally tax exempt until 1951. They are now taxed, but even in 1970 their tax rate is relatively low in comparison to commercial banks.

These building and loan associations were originally sold to the legislative community by using the idealistic argument that members could contribute money to the organization which they might later withdraw in the form of a loan to enable them to build a house. While this argument may sound convincing on the surface, the true nature and purpose of the institution was well concealed. Under a rational interpretation of the idea of due process of law, all persons, whether natural or corporate, must be accorded equal treatment before the law. But as in all Socialistic ventures, competition on an equal footing is unthinkable. The very nature of the state-monopoly cartel is one of special advantage, privilege and unique power in every realm of its endeavor. When one realizes the impact on our economy of this privileged sector which earns billions of tax-free dollars, we might pause to consider the robust nature of the other sector, which has still been able to compete, even with the odds stacked against it. However, this ability is decreasing with the passage of each new monopolistic measure and we may anticipate the time when the private sector will not be able to withstand further discrimination. The free enterprise sector must operate at a profit. This is essential for its survival as it must depend on sufficient earnings to pay for all its operational costs, wages; research and development, cost of borrowing and taxes, etc. The statists intend to

collapse the free sector, and then their control will be total. This is what Socialism is all about. And when this occurs, we will live in a rationed economy of scarcity. But the statists will then have total control and our very survival will depend on their approving good will prior to the issuance of our ration cards for food, housing and all necessities.

Mutual insurance companies are defined as "a cooperative enterprise."[28] As in other cooperative enterprises, there are differences in the relationship between policy-holders of a capital stock insurance company and a mutual insurance company.

Stock Company	Mutual Insurance Company
1. Initial capital is derived from sale of stock.	1. Formation of mutual insurance company governed by special statute. Members contribute to the creation of a fund.
2. Election of officers and directors by stockholders which is governed by articles of incorporation.	2. Election of officers and directors by policyholders which is governed by statute.
3. Owned by stockholders who may not be policyholders.	3. Policy is a certificate of membership.[29]
4. Contract is between policyholder and company.	4. Contract is between the insured and other members of the company.
5. Neither policyholders or stockholders are liable for debts and losses of the corporation.	5. Stockholder members (policyholders) may be obliged to share in the losses which are divided in proportion to their interest. Membership begins when the policy is taken out.
6. Directors may be liable to stockholders for failure to disclose.	6. Stockholder member (policyholder) is deemed to have notice of activities of officers and directors upon becoming a member. No stockholder suits against management permitted.
7. Taxed at ordinary corporate rates.	7. Dividends (distributions to members) exempt from taxation. Also other special tax consideration.

These mutual insurance companies which operate side by side with capital stock companies are hardly identifiable by the American public. It may be that millions of individuals have been sold policies in these companies without either the salesman or the purchaser being aware of the implications of the contractual obligation which is being assumed. For a company to issue a policy without full disclosure of the contractual liability might be considered deceptive, at the least, and fraud at the most. These mutual companies represent all forms of insurance coverage including life, casualty, automobile; health and accident, etc. In order to determine whether or not you own a policy in a mutual insurance company you may find the clue in the title. Often a company includes the term mutual in the name. However, this is not always the case, and the policy-holder may then glance through his policy and find an announcement of the annual meeting of stockholders to which he will be invited. This announcement will be found in the policy itself. The annual meeting will be held on the date and place indicated in the policy, and no other notice need be given. There is yet another facet to the problem of cooperative insurance coverage. In the case of a mutual automobile policy, the coverage may be recognized in several, but not all states. Thus a policyholder with a mutual automobile insurance company from the state of New York might find that after he collides with a car in Michigan, his coverage may not pertain. These are factors which should be checked out prior to the time of purchase. Be certain that the company does business in all states.

Consider the purchase of an insurance policy in a mutual company. Should one of these companies

suffer severe losses in any year, the liability can be spread around among all the stock-holders (policy-holders) and management will thereby reduce its share of liability.

Mutual and cooperative insurance companies have always had many friends in Congress. Among some well-known Washington figures who are, or have been mentioned as cooperators, are Senator John Sparkman and the alleged fighter of the Federal Reserve System, Congressman Wright Pattman.

In order to originally sell the idea of these privileged institutions to the unimaginative and half-witted legislators, they were presented with the usual halo of shining purity and idealism as "an insurance company which provides insurance to its members substantially at cost, and whose members are common, equitable owners of the company’s assets."[30] When these privileged organizations were originally legislated into existence, it was never assumed that they would compete equally with stock companies. A capital stock company receives no tax consideration, but the cooperative insurance companies may deduct from their income "patronage dividends" which are amounts distributed out of earnings to patrons (members). To carry the tax advantage even further, certain smaller mutual insurance companies are totally exempt from taxation if their income does not exceed a certain established rate.[31]

To the novice in the stock market who feels that he would prefer to let the professionals manage his money, he turns instinctively to mutual funds. So good a sales job has been done by these funds that few investors in the category of fund purchasers even realize that they are stepping into the realm of Socialist-monopolist venture with the facade of free enterprise as a front.

Mutual funds are called regulated investment companies by the Internal Revenue Service Code. This definition is of little help as all funds which come under the jurisdiction of the Securities and Exchange Commission are subject to their scrutiny. However, there are differences between the mutual funds and the closed end investment companies. A mutual fund is never listed on the New York Stock Exchange or any other stock exchange, while the closed end investment companies have their stock traded on the open market as any other listed corporation. Their shares are for sale to the public, and the management invests proceeds from the sale of stock and income from investments to strengthen the financial position of the company and also the trading value of their stock. There are a fixed number of shares outstanding, whereas in a mutual fund, the number of shares expands with additional sales. This could produce a disproportionate idea of the value of their stock except for the fact that there is a relatively high redemption rate, which has a tendency to somewhat stabilize the price of the stock.

One of the tax advantages enjoyed by the mutual investment funds is their privilege to elect to be taxed only on the income which they do not distribute to their shareholders. This means that when they declare a dividend on earnings, this distribution to the shareholders exempts the total amount from taxation. Often these dividends are never distributed in cash, but merely credited to the account of the stockholder. This gives the mutual fund manager more money to use for further investments. The closed end investment company may declare dividends but only after the corporate taxes have been paid on the earnings which occurred before the dividends were declared,

and after provision for taxes has been made. This elective ability on the part of the mutual funds is a distinct and unfair advantage over other investment funds. It is another example of arbitrary and unfair intrusion by the government in the economic affairs of its citizens which produces discriminatory advantages for one corporate citizen as against the other.

Why do we allow this unfair and discriminatory situation to exist ? Perhaps the best answer comes in analyzing the nature of government itself. Government never has, and never will, exist for the benefit of the citizens it rules. It exists for the power, privilege and plunder it may extract from those who produce the wealth and prosperity which the rulers exploit. Government is an archaic, unwieldy and absurd institution, and the more powerful it becomes, the more infinitely ludicrous are its antics. In the end, if allowed to expand to totality, the individual, progress and all freedom will be ended.

A good example of the absurdity of government can be found in the following illustration. When the United Nations Treaty was adopted by the United States Senate, only two senators had bothered to read it. This treaty was of such vital importance that it surrendered the sovereignty of the United States and transferred it to the United Nations Organization. We now were reduced to the level of member state who would follow the dictates of hostile alien nations operating through the United Nations front. These enemy parasites are now in the position to legislate measures affecting the lives, economy and security of all American citizens. Yet only two senators were aware of this fact. And only a few are aware of it now—in this year of our Lord, 1970. Another example of monumental betrayal by our Washington representatives came with the signing of Public Law 87-297 in 1962. This law turned our armed forces over to the United Nations and was vigorously supported by our president John F. Kennedy. Did they know ? Did they care ? Was it legal ? Regardless of the obvious answer to these questions, the government continued in its ruthless thrust to dismantle the nation so that the money pool which runs the world would allow them to retain their position of privilege, power and plunder. We might say that this same attitude prevails on virtually every issue which comes before these bumbling oafs. Even if one could find a representative with integrity who wanted to vote intelligently, the sheer weight of the legislative volume would render this an impossibility. So we have thousands of laws passed without anyone really knowing what is going on. These laws are prepared in committee and are usually voted on with a partisan bias.

Now visualize a corporate giant such as General Motors which has a farflung economic empire, but which is administered without the force and fraud used by government. Suppose a rival company desired to absorb General Motors into its corporate spectrum. Would an agreement to liquidate General Motors be passed by the Board of Directors with only two of the officers having read it or having been aware of the nature of the agreement ? The answer is obvious. Every aspect of corporate negotiations are viewed in detail, and the welfare of the company is always important to those who must make a good showing before the stockholders. What would happen to the Board of Directors of General Motors if they signed an agreement transferring the company to a rival foreign automotive concern without even any remuneration being given for the sale of its entire

assets and without anyone being aware of what had been done. How would the stockholders feel if they read in the Monday morning *Wall Street Journal* that this agreement meant that their individual shares could now be converted into a stock selling at $3.00 per share, while the closing price for General Motors stock the previous Friday had been around $75. Of one thing you may be certain—there would be stockholders suits and many legal and economic repercussions which would dismay even the stoutest of corporate officials. But in private business this would never happen. This only happens in government. And as in the case of the United Nations Treaty, the nation was given away and its assets pledged to foreign manipulators, with only two senators bothering to know or care what was happening. Can we invoke a citizen's or taxpayers suit against these scoundrels ? How can we tolerate such a situation to continue, year after year, decade after decade ? The political manipulators have made their intentions clear by the legislative conduct over the past 35 or more years. They mean to enslave our nation and usurp every asset, including the people to force 200 million people to accept their political and economic philosophy-at gunpoint if necessary. This is government at its best. Total government represents the best, from its standpoint. How do you, as a citizen, feel about its effectiveness ? Shall we reverse the trend and demand our individual rights and freedom ? Shall we declare ourselves to be the sole proprietors of our lives and property—to decide for ourselves how we will live and be free from the tyranny of those who live by ruling others. Let us permit the wonderful world of freedom and free enterprise to become a reality. This would enable our nation to enter an era of unprecedented prosperity which would be the greatest war against poverty and slavery that has ever been known in the history of mankind.

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1. CARE (Cooperative American Remittance) is an example of a cooperative which would be classified under the miscellaneous category.

2. Lest anyone think that cooperation isn't Socialism, V. Lenin noted as early as 1923 that "cooperation was a part of the worldwide Communist movement."

3. Reprinted with permission of Mr. Austin T. Flett, 34 S. LaSalle Street, Chicago, Illinois 60603.

4. U.S. Bureau of the Census, *Historical Statistics of the United States, Colonial Times to 1957* (Washington, D.C., 1960).

5. Wickliffe V. Vennard, *Conquest or Consent* (Boston, Massachusetts: Forum Publishing Company, 1965), p. 85.

6. *Corpus Juris Secundun* Volume 78 (Brooklyn, New York: American Law Book Company, 1939). Case cited: Chaffee vs. Farmers Co-operative Elevator Company, 168 NW 616, 617.

7. *Ibid.*, Volume 9, Paragraph 958.

8. Statistics courtesy of Illinois Bell Telephone Company.

9. Dark Tobacco Growers Co-op Association vs. Robertson, 150 NE 106.

10. 7 USC, Paragraph 452.

11. Saylesville Cheese Mfg. Company vs. Zimmerman, 265 NW 856, app. dismd. 299 US 504; 81 L. ed. 374; 57 S. Ct. 18.

12. Agnes vs. Macomb Building and Loan Association, 64 NE 260.

13. Burke vs. Cooperative Finance Co., 62 Wash 2nd 740, 384 P2d 618.

14. A cooperative association may levy an assessment on members to obtain working capital as well as to meet existing indebtedness. Lockport Co-op Dairy Association vs. Buchner, 155 NE 907: Annotation: 77 ALR 421, s. 98 ALR 1421.

15. U.S. vs. Elm Spring Farms (DC Mass.) 38 F Supp 508. Contracts between cooperative associations and their members may be afforded a protection in the law denied to the contract; of all other persons, natural or corporate. Liberty Warehouse vs. Burley Tobacco Growers Co-op, Marketing Association. 276 US 71, 72 L. Ed. 473, 488 S. Ct. 291.

16. Farmers Co-op Company vs. Birmingham. 86 F. Supp. 201.

17. Sullivan vs. Spaniel, 78 Ill. 125. 127

18. Members of a building and loan association may be liable on a pro rata basis for losses suffered by the association. Southern Building and Loan Association vs. Anniston Loan and Trust Company, 36 SW 386, 54 Am. St. Rep. 858.

19. McCauley vs. Association, 37 SW 212, 213; 35 L.R.A. 244.

20. Ill. Phoenix Loan Association vs. Stringham, 81 Ill. App. 48.

21. What would normally be considered borrowing is regarded as "permitting a member to receive money on his shares of stock in advance of maturity." Homestead Savings and Loan Association, Act., 1873, Ill. see Smith-Hurd Stat. c33 Para. 213.

22. Groover vs. Pacific Coast Savings Association, 164 Cal. 67, 127 P 495.

23. Bertche vs. Equitable Loan and Investment Association, 147 Mo. 343, 48 5W 954, 71 Am. St. Rep. 571.

24. Englehardt vs. Fifth Ward Permanent Dime Savings & Loan Association, 148 NY 281, 42 NE 710: Annotation: 4 L. R.A. (N.S.) 1947.

25. Groover vs. Pacific Savings Association, 164 Cal. 67, 127 Pac. 495.

26. West Winsted Savings Bank & Bldg. Assn. vs. Ford, 27 Conn. 252, 71 A. Dec. 66.

27. Welch vs. Wadsworth, 30 Conn. 149, 79 Am. Dec. 236. 129

28. Pennsylvania Mutual Life Insurance Company vs. Lederer, 252 US 523. Stock Company.

29. Carnes vs. Iowa State Traveling Men's Association. 106 Iowa 281, 76 NW 683.

30. Paragraph 7530, 34 Am. Juris 2d.

31. For further information on insurance companies consult Best's Insurance Reports: (Life-Health) (Property-Liability) etc. A.M. Best Company, Morristown, New Jersey, 1969. These manuals are available in most large public libraries. It will also state whether the company is a cooperative mutual or capital stock company.

Chapter VII
THE UNITED NATIONS BANKING COMPLEX

A single world economic system is essential
for the triumph of Socialism.
—V. Lenin

If it is so vastly profitable to control the economic affairs of one nation, it is incredibly more profitable to control the economic destiny of the entire world. This is the primary reason for the creation of the United Nations and its affiliate organizations. The United Nations is the deceptive facade under which global centralized control is being established, and the affiliate banking complexes were founded to finance the entire operation.

The dream of total world domination has been the goal of the money pool for centuries. Through financial and political manipulation, their power has been gradually extended from individual nations within Europe to all of Europe, then to the United States. Now with the advent of the United Nations front and its subdivisions, the goal of total world domination is close to realization. To establish such fantastic domination over the minds, economies and governments of the world was not too monumental a task for the conspirators because they controlled the money. This enabled them to dominate the news media, educational systems, legislative bodies and even governments. "Let me issue and control a nation's money and I care not who writes its laws." This statement was made by Meyer Amschel Rothschild, founder of the Rothschild banking dynasty, and it has unfortunately proved to be all too true. Lenin also recognized the importance of the money issue by declaring that the best way to destroy the capitalist system is to debauch its currency. Our enemies have concentrated for generations on obtaining a monopolistic control over money and wealth and its subsequent use to destroy us. To ignore this most important facet in their battle against individualism will result in our eventual doom. By obtaining control of the issuance of money, nation after nation has been undermined by these fiendish exploiters of mankind. Their methods ranged from criminal conspiracy, deceit, murder, treason, blackmail or any heinous act necessary to push forth their demonic goal of political and economic exploitation of the people within the nations being razed. Kings and cabinet members fawned at their feet and did their bidding. More often than not, the government was merely a facade to deceive the people so that they would never know who the real rulers were. These clandestine and underhanded methods were such standard procedure that it should give us a clue as to how they were able to set up world domination under the phony ruse of stopping wars and aggressions. The same conspirators who have promoted dozens of wars now seized the reigns of world control under the guise of establishing peace. Instead of realizing peace, there have been a series of almost constant wars since the establishment of the United Nations. Since its inception in 1945, there have been over 60 wars, with no prospect of peace in sight. Despite propaganda claims, the United Nations is a warlike, empire building tool of the money mafia.

Not only has the United Nations failed to prevent wars, but it has also completely failed to prevent the spread of Communism, which was another alleged reason for its creation. The following chart will clearly demonstrate the utter brazen falseness of this claim.

The record : the following is a list of countries that have gone communist in the past 24 years

ROOSEVELT :
(5 Years from 1940) Year Population
1) East Poland — Late 1939 — 10,315,000
2) Northern Rumania — 1940 — 3,700,000
3) Southern Finland — 1940 — 54,000
4) Estonia — 1940 — 1,197,000
5) Latvia — 1940 — 2,094,000
6) Lithuania — 1940 — 2,700,000
7) Poland — 1944 — 24,977,000
8) Bulgaria — 1944 — 7,630,000
9) Tannu Tava — 1944 — 95,000
10) East Prussia — 1945 — 1,187,000
11) Rumania — 1945 — 18,360,000
12) Souther Sakhalin — 1945 — 415,000
13) Kurile Islands — 1945 — 4,000
14) Yugoslavia — 1943 — 16,927,000

TRUMAN (7 years) Year Population
1) Albania — 1946 — 1,560,000
2) North Korea — 1945 — 12,000,000
3) Hungary — 1947 — 9,978,000
4) Czechoslovakia — 1948 — 13,296,000
5) Mongolia — 1946 — 1,000,000
6) China — 1949 — 670,000,000
7) East Germany — 1946 — 17,312,000

EISENHOWER : (8 Years) Year Population
1) North Viet Nam — 1954 — 12,000,000
2) Tibet — 1959 — 1,300,000
3) Cuba — 1959 — 6,500,000

KENNEDY-JOHNSON :
(4 Years) Year Population
1) Algeria — 1962 — 9,000,000
2) Guinea — 1960 — 2,257,000
3) Ghana — 1961 — 7,100,000
4) Gabon — 1960 — 684,000
5) Zanzibar — 1963 — 265,000
6) West New Guinea — 1962 — 1,100,000
7) Laos — 1962 — 2,000,000
8) British Guiana — 1961 — 373,000
9) Indonesia — 1962 — 97,765,000 Sukarno remains president in 1966

These countries actively support the Communist cause : Egypt, Syria, Yemen, Iraq, Ceylon, Cambodia, Kenya, Tanganyika, Mali, Mauritania, Sudan. NOT ONE COUNTRY HAS BEEN FREED OF COMMUNIST CONTROL, BY THE UNITED NATIONS

In 1948 the Russians blockaded West Berlin. Nothing was done by the United Nations to help the West Berliners and the United States launched a massive air lift operation. Nor did the United Nations do anything to protect such nations as Czechoslovakia or Hungary. While the Russians subvert the Middle East and arm the Egyptians, nothing is said by the United Nations. India absorbed the Portuguese territory of Goa and again the United Nations remained silent. It must be clear to anyone with eyes to see, that this monstrous organization has been set up for the clear and unmistakable purpose of subverting all nations into a one-world Socialist dictatorship.

We must tunnel through the maze of misinformation regarding the United Nations in order to ascertain that its true purpose is to set up world control which will be ruled by the money cartel and its equally sinister agents and co-conspirators. Up to the present time, these shadowy figures have lurked in the background, issuing orders to presidents, kings and dictators alike. But if their plans for world domination succeed, they will then make their identities known and the peoples of the world will learn the real identity of the global masters. Their orders have been obeyed at all levels of government because the top positions in most countries are largely occupied by carefully selected traitors who are the agents of the Socialist money crowd. With the promise of privilege, position and power, it has been relatively simple for these Machiavellian weirdos to buy up all the

people they need to carry out their orders.

This millionaire elite which now controls the United States is composed largely of members of the inner sanctum Business Advisory Council of the Council on Foreign Relations. There are approximately 1400 carefully selected members in this group, and it is from the Business Advisory Council that many of our highly placed government, military and business leaders are drawn. These men are all dedicated advocates of world government and Socialism—and it is this self-appointed power clique and their international affiliates which is our secret, unelected, invisible government. The Socialists are not the poor, deprived, underprivileged, powerless nonentities the press would like to have us believe. Nor are they lovers of humanity, despite the social and humanitarian goals which their power grab is represented to be. They are simply a ruthless millionaire elite who view mankind with utter contempt. Their goal is to obtain the concentration of all power in their hands. Our battle to end this global tyranny will depend on our understanding of this issue and our ability to form a united front against the forces of feudalistic oppression. Without the massive funds provided by the malevolent millionaire manipulators and their numerous front groups, the whole facade would collapse. We must also remember that Karl Marx's monetary mind was quick to envision the dreams of the empire builders by advocating a progressive, graduated income tax and a central bank. We have both. The king does not pay taxes; he collects them. And our kingly rulers prefer not to pay taxes themselves so they set up a system of personalized tax evasion through the device of tax-free foundations and numerous other gimmicks "for millionaires only."

Before the United Nations could be established, the world-government crowd had to devise a method of financing it. Also the sovereignty of nations had to be destroyed so that they would become vassals in a world empire. To set their plans in motion, the United Nations Monetary and Financial Conference met at Bretton Woods. New Hampshire in July, 1944, to formulate plans for the establishment of the International Monetary Fund (IMF) and the International Bank for Reconstruction and Development (World Bank). Traitor Alger Hiss and his brother Donald, as well as Harry Dexter White all played active roles in the creation of this monetary hydra. Alger Hiss was also secretary of the San Francisco conference which founded the United Nations, and was one of the authors of the United Nations charter. Harry Dexter White, who was a key figure at the conference, has been identified by Whittaker Chambers and Elizabeth Bentley as a Communist agent. At the time of the conference, White was Assistant to Treasury Secretary Henry Morgenthau, Jr.

The United Nations charter was ratified as a treaty by the United States Senate in 1945. The charter makes no mention whatever about any type of monetary system. Neither the United States nor any participating country has any control over any of the multiple banking institutions except in the matter of appropriations and the appointment of a representative. Since the internationalists control most of the governments, it is apparent that only those in sympathy with the aims and objectives of a Socialist world monopoly will be appointed. Thus their continued control is assured.

International Bank for Reconstruction and Development (World Bank). Headquarters: 1818 H Street, N. W., Washington, D.C. 20433. President: Robert S. McNamara. The World Bank officially came

into existence on December 27, 1945 when the Articles of Agreement formulated at the Bretton Woods Conference were signed in Washington, D.C. by 28 governments. As of December 31, 1908, 110 countries were members of the bank. Its purposes were stated to be :

1. To assist in the reconstruction and development of member countries.
2. To make loans for productive purposes.
3. To promote private foreign investment.

Each nation may appoint one member to the Board of Governors who run the bank. However, the Board has delegated most of its power to the 20 Executive Directors chosen by the member countries. The voting power of the member countries is more or less approximate to their capital subscription. The Executive Directors select the President of the Bank as well as official and staff members.

The World Bank is authorized to lend money to member governments and also to their agencies and private enterprises, if the government guarantees payment. One can quickly see the vast potential for financial privateering on a global scale for those closely associated with these banking complexes. According to Mary Davison in her book *The Profound Revolution*, “the United Nations is engaged in World Empire building in Africa and in Asia and the work is far advanced. It might be well to point out also that should this vast area be put into industrial production, it will require many millions of skilled industrial workers and considerable management. This labor and management are to be found only in highly industrialized nations, principally in the United States.” [1] Now we can see the real purpose which is carefully hidden behind the flowery terms of the charter. This is the real reason why the Insiders want National Service in lieu of a draft. Millions of young Americans will then be available at slave-labor prices to work in the steaming jungles and backward areas of the world. To condition Americans into accepting this form of servitude, such unproductive absurdities as the Peace Corps, community work projects and the National Service concept are being pushed amidst the tumultuous praise of the puppet media.

After examining the following chart, it becomes apparent why the money cartel enjoys such special monopolistic privileges. The CFR affiliates within American companies look forward to the future services of an army of underpaid workers, which will result in unlimited profits to the conspirators. Many of the loans include a grace period for repayment of interest and principal of two years to several decades.

WORLD BANK LOANS
Random examples of recent loans made by the World Bank and its affiliate, the International Development Association.[2]

Country — Amount of Loan — Purpose of Loan
Morocco — $14.6 million — Highways
Nigeria — 10.6 million — Highways

Argentina — 60 million — Electric power
Turkey — 3.1 million — Privately owned paper mfg. plant
Yugoslavia — N.A. — Investment corporation (U.S. shareholders are : Chase Manhattan Intl. Investment Corp., Girard Intl. Investment Corp., Marine Midland Intl. Corp., Philadelphia Intl. Investment Corp. and the IDA)
Brazil — 8.4 million — Privately owned chemical plant. Other financing from National Distillers & Chemical Corp.
Ceylon — 29.0 million — Agricultural and electric power.
Singapore — 5.0 million — Industrial development
Brazil — 25.0 million — Industrial development
Marocco — 15.0 million — industrial development
Papua & New Guinea — 5.0 million — Agricultural development
Honduras — 2.6 million — Livestock development
Paraguay — 6.0 million — Highways
Iran — 6.5 million — Agriculture
India-Malaysia — 1.5 million — Textile mill
Cameroon — 19.0 million — Highways
Pakistan — 20.0 million — Misc. private enterprises
Philippines — 1.2 million — Paper industry (International Paper Co. will also contribute.)
Chile — 10.0 million — Copper mining (Sponsors : Continental Copper & Steel Industries, Inc., New York, $9 million contributed.)
India — 35.0 million — Irrigation
Malawi — 5.25 million — Electric power
Yugoslavia — 18.5 million — Misc. industry (Girard Trust Bank, Philadelphia, National Bank of Commerce of Seattle are participating
Zambia — 5.3 million — Education
Morocco — 46.0 million — Agriculture and irrigation
Nepal — 1.7 million — Communications
Dominican Republic — 25.0 million — Mining loan made to Falconbridge Dominicana, sponsored by Falconbridge Nickel Mines Ltd. of Toronto and Armco Steel Corp.
Cyprus — 5.0 million — Electric power
Sierra Leone — 3.0 million — Education
Bolivia — 1.4 million — Livestock development
Botswana — 2.5 million — Electric power and transportation. Main shareholders are : Roan Selection Trust and American Metal Climax.
Singapore — 11.0 million — Telephone system (National Bank of Commerce of Seattle, Security Pacific National Bank, Los Angeles and the Northern Trust Company, Chicago participating.)
Columbia — 18.3 — million Livestock development
Tunisia — 10.0 million — Tourist and industrial development.

The World Bank has several sources of funds. One is from the contribution of member countries, which in many cases is a relatively insignificant amount. They also borrow in the capital markets of the world and earn money from their investments. The August 15, 1970 issue of *Forbes*, (page 72),

contained an advertisement announcing the availability of a prospectus wherein details of a $200 million twenty-five year bond issue would be offered by the International Bank for Reconstruction and Development (World Bank), with an interest rate of 8 5/8 per cent. Some of the firms participating in this offer were :

Morgan Guaranty Trust Company of New York
First National City Bank of New York
The Chase Manhattan Bank
Bankers Trust Company
First National Bank of Chicago
Dillon, Read & Co., Inc.
Lehman Brothers
Kuhn, Loeb & Co.
Drexel Harriman Ripley, Inc.
Goldman, Sachs & Co.
Eastman Dillon, Union Securities & Co.
Lazard Freres & Co.

As of December, 1968, the bank had made 584 loans of over $11 billion to 85 countries.[3] However, the main source of revenue comes from United States government contributions. The bank also sells some of its short-term loans to various banking institutions throughout the world. Its original capitalization was $10 billion but this was later increased to $21 billion.

"Formal relations between the Bank and the United Nations are governed by an agreement approved by the Bank's Board of Governors in September, 1947 and by the United Nations General Assembly in November, 1947."[4]

When the United Nations Monetary and Financial Conference defined membership in the International Monetary Fund and World Bank, it stated in Article II that "the original members of the Fund shall be those of the countries represented at the United Nations Monetary and Financial Conference whose governments accept membership before the date specified in Article XX, Section 2 (e) (between May 1, 1945 and December 31, 1945)." Could this vague doubletalk be interpreted to mean that the countries themselves are not members, but the individuals representing them ? United Nations expert Mary Davison thinks so.

When these auspicious banking complexes were being established, the goldsmiths were careful to protect their ancient privilege of demanding conversion into gold and establishing subscription percentages. Twenty five per cent of the United States subscription was to be payable in gold and the balance in members currency expressed in relationship to gold. More gold gimmicks followed. The "convertibility clause" in the Bretton Woods Agreement tied all foreign currencies to the United States dollar, which permitted member nations to convert the United States dollars they held into gold. Section 4, Article III states that if a member increases its quota, the Fund requires 25 per cent of the increase in gold. Section I, Article IV establishes that the par value of member

currency shall be expressed in terms of gold as a common denominator. The purpose of this requirement was to force all nations to accept the gold exchange standard so that the manipulators could resort to their time honored method of collapsing currencies by causing a gold outflow. Section 6, Article V states that members may purchase currencies of other members from the Fund with gold, and Section 7, Article V provides that members may purchase Fund assets for gold.

The INTERNATIONAL MONETARY FUND has its headquarters at Nineteenth and H Street, N.W., Washington, D.C. 20431.[5] Managing Director and Chairman of the Board of Executive Directors is Pierre Paul Schweitzer. The Articles of Agreement became effective the same day as those of the World Bank, December 27, 1945 when President Truman authorized the Bretton Woods Agreement Act (59 Stat. 512; 22 U.S.C. 286). Its purposes were stated to be :

1. To promote international monetary cooperation.
2. To facilitate the expansion and growth of international trade.
3. To promote exchange stability.
4. To make the Fund's resources available to members.

In short, the IMF would control international trade and through its affiliate banking organizations, manipulate the balance of payments between participating nations. When the IMF was established, it was intended to be an international, fractional reserve, world central bank which would eventually become the Treasury Department of their anticipated future global empire.

The IMF is administered by a Board of Governors and a Board of Executive Directors. Five of the Executive Directors are appointed by members contributing the largest quotas, and fifteen more by the remaining nations. As of December 31, 1967 there were 107 member nations in the IWF whose combined quotas aggregated approximately $20 billion. The United States quota is the largest (roughly one quarter) yet we have no control over this organization "except in the matter of appropriations."

Who controls the IMF and World Bank ? We know that the President of the World Bank is none other than Mr. Military Phaseout himself, Robert Strange McNamara. He was not elected to this post, but was appointed by the President. Your author inquired of the late Senator Everett Dirksen if the Senate could effect his removal. The reply was that the Senate could do nothing since it had no control over the appointment, nor over the World Bank.

Robert Strange McNamara's weird qualities made him uniquely qualified for this position of completing the job of phasing out our money system since he did this most efficiently to our military power. The legacy of disaster he created in the military still continues as official policy under his successor, Melvin R. Laird and Henry R. Kissinger, who serves as Assistant to the President for National Security Affairs, Mr. Eugene Black was McNamara's predecessor at the World Bank. He is also a Council on Foreign Relations member and has been affiliated with the Rockefeller Chase-Manhattan Bank. To keep the businesses interlocking, he now heads the Asian Executive Service Corps, another presidential appointment, where he presides over the spending of

additional millions of our tax dollars.

When the IMF was originally established, it was intended to be an international, fractional reserve, central bank. Recently we have been hearing guarded statements about the erection of an international Federal Reserve Bank. We haven't been told, but we already have one and have had ever since the IMF came into existence. With their Special Drawing Rights, they have the power to call in the currency of any member (including the United States) and exchange it for a new United Nations type currency. Through their cooperative efforts with the Federal. Reserve Bank they are able to "tighten credit" on an international scale which could have the effect of virtually paralyzing industry on a worldwide basis.

Both the IMF and World Bank, as well as their personnel, have privileges and immunities enjoyed by no other class of citizens. Both the IMF and World Bank have the power to enforce their own decisions on all *subordinate member nations* (including the United States). Section 3, Article IN provides immunity from judicial process for members. Translated, this means that the Fund and its members cannot be sued in any nation where it is located. Section 4, Article IX states that "the property and assets of the Fund, wherever located and by whomsoever held, shall be immune from search, requisition, confiscation, expropriation, or any form of seizure by Executive or legislative action." Our super government, located at 1818 H Street, N.W., in Washington, can never be searched by the FBI or any governmental agency for any reason. They have also blocked any possible future legislative action against them which might ever be contemplated by Congress. If enough Americans become aware of the legislative outrages perpetrated by their so-called representatives, they will no doubt take matters into their own hands as did our forefathers in 1776. Since the officials of the IMF and World Bank enjoy their unique diplomatic status, Robert S. McNamara is no longer an official of the United States government. He might be called an international civil "servant" (master) and may continue to dismantle what is left of our monetary empire without being subject to Congressional investigation or even to American legal process or American law. Section 6, Article IX states that "all property and assets of the Fund shall be free from restrictions, regulations, controls, and moratoria of any nature." Section 7, Article IX gives official communications of Fund members diplomatic immunity. This would enable Fund members to take bag loads of money out of the United States for themselves or their criminal associates in other areas without ever being inspected by customs *in any nation.* Furthermore, no Fund member may be requested to leave the country, regardless of the undesirability of his presence. Executives and employees are not only immune from legal process for acts performed by them in their official capacity, but are also exempt from taxes. Section 9, Article IX boldly declares that the Fund and all its assets shall be immune from all taxation and from all customs duties. The IMF is permitted to sell the securities of any nation (including "enemy nations") tax exempt. This is just another example of the high-handed monopolistic tactics which put the American securities market at an unfair disadvantage. It is also another avenue for the further drainage of dollars from the United States into other areas. Further, Section 1, Article IX states "no tax shall be levied on or with respect to salaries and emoluments paid by the Fund to Executive Directors, alternates, officers or employees of the Fund." Bank President Robert S. McNamara pays no income tax on

his $40,000 per year salary as President of the World Bank. He is a World Citizen and enjoys diplomatic immunity in every nation which is a member of the World Bank. The World Bank Charter virtually repealed our immigration laws, as no immigration or alien registration requirements apply to their members.

Administration of IMF and World Bank directives are channeled through their liaison officer in the Treasury Department, the Office of the Assistant Secretary for International Affairs. This bureau is composed of eight divisions whose directors report to the Assistant Secretary for International Affairs. This office was created by Treasury Department Order 202 on October 14, 1964. The Assistant Secretary and his subordinates advise the Secretary of Treasury on matters relating to international economic, financial and monetary matters. These activities include such diverse matters as balance of payments and gold outflow problems, the operation of the International Monetary Fund, World Bank and its affiliates, the Inter-American Development Bank, the Asian Development Bank, foreign lending and assistance programs, the Anglo-American financial agreement, the Exchange Stabilization Fund and the activities of the National Advisory Council on International Monetary and Financial Policies.

It was imperative for the conspirators to have their financing assured prior to the United Nations Conference. With the successful completion of the first phase, e.g., the establishment of the IMF and World Bank, they were ready for the next step. After some weeks of negotiations over the pre-prepared script, and amidst hysterically favorable propaganda, the United Nations Charter was adopted at San Francisco on June 26, 1945. The Charter contained 111 Articles, but beneath its flowery wording and doubletalk, it in effect established a world government to which the United States was reduced to the status of a participating member state. Most Americans were not aware of this fact, and many still aren't.

Within the Treasury Department we will also find another interesting internationally oriented body. This is officially known as the *National Advisory Council on International Monetary and Financial Policies*, Department of the Treasury, Washington, D.C. 20220, Secretary: Charles R. Harley. This council was established as a statutory body by the Bretton Woods Agreement and now operates under Executive Order 11269 (February 14, 1966) which was amended by Executive Order 11334 of March 7, 1967. This council was designed "to coordinate the policies and operations of the representatives of the United States" in the following organizations :

Export-Import Bank of the United States
International Monetary Fund
World Bank
International Development Association
International Finance Corporation
Inter-American Development Bank
Asian Development Bank
and other agencies of the government.[6]

The council "advises and instructs" (tells) the Secretary of Treasury what his policies should be with respect to the making of foreign loans and monetary transactions in the various banking complexes under their jurisdiction. The "advice" consists of briefings to the Secretary of Treasury and his subordinates as to the policies to be followed. We now can see how the "self-executing" orders of the various banking organizations are funneled through the various departments within the United States for administration and execution.

When the United Nations Treaty was rushed through the Senate without a hearing, only two senators even bothered to read it. Such is the power of the propaganda machines of the big television, news and radio media. And such is the nature of government. We have people sitting in legislative chambers who push buttons for a living. They pay no attention to the content of legislation nor its effect upon the millions of citizens who will be affected by it. They expect to legally bind us to every whimsy, outrage, deception and lunacy which their pushbutton minds contrive. Yet we, the people, are expected to silently assent. The political hacks and criminal degenerates in all levels of government who have been continually plundering our once great nation, must be made accountable for their treason by an outraged population. They have unconstitutionally and illegally phased out our national sovereignty and put us into a cunningly contrived world government setup while still attempting to delude the American people.

After the ratification of the Charter of the United Nations and Statute of the International Court of Justice by presidential signature August 8, 1945, they were ready for business. One of the first of the financial offshoots after the United Nations Treaty had been ratified was the Organization for European Economic Cooperation, established in 1948 to "implement the Marshall Plan for European recovery."

The ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT has its headquarters at Chateau de la Muette, 2 Rue Andre-Pascal, Paris 16, France. Secretary General : Thorkil Kristensen. Publication Center for U.S.A.: 1750 Pennsylvania Avenue, N.W., Washington, D.C. This organization replaced the Organization for European Economic Cooperation when it was ratified by the required number of nations in 1961. It may be of interest to know that countries with special status participating in OECD activities are Australia and Yugoslavia. Its purposes again reflect a somewhat familiar refrain :

1. Achieve economic growth and the maintenance of financial stability.
2. Contribute to sound economic expansion in both member and non-member nations.
3. Contribute to the expansion of world trade.

The noble sounding objectives conceal the monopolistic and exploitive nature of their banking and lending complexes. This organization is run by a permanent council headed by a Secretary General who is appointed by the council and responsible to it. Most of the nations participating in these various international organizations contribute very little to their financing. As usual, the bulk of the money comes from the United States.

The INTERNATIONAL FINANCE CORPORATION has its headquarters at 1818 H Street, N. W., Washington D.C. 20433 (same address as IMF and World Bank). President : Robert S. McNamara. Executive Vice President : Martin M. Rosen. Vice President : James S. Raj. The International Finance Corporation (IFC) was created in July, 1956 "to assist the development of productive private enterprises in less developed member countries."[7] It is affiliated with the World Bank but its own staff and funds are separate. As of March 31, 1969, 91 nations belonged to this organization. The ITC grants long-term loans at very low interest rates without guarantee of repayment by the debtor countries on projects which are considered "high economic priority." Most of these loans are outright gifts.

The president of the World Bank, Robert Strange McNamara, serves as ex-officio Chairman of the IFC's Board of Directors. This same Board of Directors appointed him to serve as the IFC's president.

Since its origin until March 31, 1969 the IFC has made 173 loans to private enterprises in 39 countries, for a total investment of $343 million. The IFC has no set interest rates but establishes the rates for each investment depending on "relevant circumstances." Investments are made in a wide variety of industries, usually in association with private business in the "developing countries." IFC is authorized to borrow from the World Bank and also realizes an additional cash flow by selling some of its commitments to other financial institutions in various countries.

INTERNATIONAL DEVELOPMENT ASSOCIATION has its headquarters at 1818 H Street, N. W., Washington, D.C. 20433. Another lending agency which is administered by the World Bank is the International Development Association (IDA). It was created by a resolution of the Governors of the World Bank "to finance projects whether they are revenue producing or not" and to make loans to multitudes of less developed countries "on a more flexible basis without disturbing the balance of payment problems." Articles of Agreement for the IDA were drawn up by the World Bank's Executive Directors and it officially came into existence on September 24, 1960. All World Bank members are eligible for membership in the IDA and as of December 31, 1968, 102 countries had become members, but the bulk of its financing comes from the "highly developed countries," including and especially the United States.

The International Development Association does not have a staff of its own and World Bank officials and personnel serve in both categories concurrently. The President of the World Bank, Robert Strange McNamara, is ex-officio president of the IDA and Chairman of the Executive Directors.

Money to finance the IDA's projects comes from several sources. The inevitable Congressional appropriations constitute the most dependable source of revenue. It is authorized to borrow from the World Bank and also may attempt to persuade the industrialized nations to lend money to them. In 1964, 18 nations agreed to contribute funds amounting to $400 million per year for three years to the IDA for loans to mini nations, commencing in 1968. Some of the IDA "loans" have been made totally interest free for a period of fifty years.[8] This money amounts to a virtual gift to not only the recipient nation, but to the conspiratorial insiders who arrange for these multi-million

dollar tax financed projects for their own financial benefit. Regardless of how the government manipulates or conceals the appropriations, the overwhelming amount of money for all these fanciful Socialist projects has been provided by the long-suffering American taxpayer, who picks up the tab. If business wishes to develop industry in these backward areas, it should be required to take risks, obtain venture capital and deal with the various forms of tribal entities and governments which they encounter. This is the essence of business expansion, but this is the antithesis of the strategy of the monopolists. They want to develop projects on a global scale, using other people's money, giving their own selected participants lucrative contracts, and when payment is to be made, pass the bill on to someone else. The monopolists do not believe in free enterprise and never did. They are afraid of competition and succeed only through treachery, treason, and criminal control of governments at the highest levels of policy making.

Despite the multi-billion expenditures of American taxpayers' money, the only beneficiaries of this monumental larceny is to the criminal exploiters themselves. The American citizen is now being taxed to the breaking point, and the nations who have received our largess so long express only hatred and contempt for us. The people within the nations receiving these projects remain as poor as ever, but the insolent and greedy government officials of these nationettes are lining their pockets, building luxury homes and pursuing a life of subsidized splendor. Here is an eyewitness report on what happens to some of the money the United States is so lavishly pouring into Africa.

> You know, of course, that your country is pouring money into African independent countries, but unless you lived here and saw what is going on, you do not know what becomes of it. Nearly all goes into the personal pockets of the black members of the governments, except what is used for bribes. They build themselves presidential palaces, one of which I happen to know cost something like a quarter of a million pounds, or about $750,000. In Zambia, Kenneth Kaunda has 100 soldiers guarding his palace every night, which is flood-lit and ringed with guns—he is terrified of being bumped off. President Banda of Malawi never leaves his palace without a bodyguard of police on motorcycles who drive behind and in front of his car with screaming sirens, and every other car has to get off the road completely when he passes. People drive into ditches and through fences to get out of his way, as they can be heavily fined or put in prison for being on the road when he is coming ... whites live a dreadful life of fear. African police or hooligans may burst into their homes at any time and clap them in prison for perhaps a careless word or criticism of the Government.
> Signed
> (name withheld for security purposes)

The purpose of these multi-million dollar gift loans is simply a device to funnel huge amounts of money into Socialist governments which they would never otherwise receive. It is doubtful if there were ever any intention on the part of the lenders to insure repayment since some of these gift loans run as long as 50 years with an interest rate as low as one-half per cent per year.

THE ASIAN DEVELOPMENT BANK has its headquarters at Commercial Center Post Office, Manati, Rizal, Philippines. President : Takeshi Watanabe. The Asian Development Bank was

ratified August 22, 1966 when the required fifteen governments had signed the agreement. The Economic Commission for Asia and the Far East of the United Nations (ECAFE) recommended the creation of the Asian Bank. This resulted in ECAFE Resolution 62(XXI) of the Twenty First Session of the United Nations, 1965. This United Nations resolution eventually found its way into American law. It began operations in December, 1966 and at the present time has 33 members, including non-Asiatic United States. Our participation in the bank is a result of the adoption of the Asian Development Act of March 16, 1966 (80 Stat. 71: 22 USC 285). This statute is the result of a United Nations directive.[9] Its purposes are couched in the tautologous rhetoric used in the other banking complex organizations, e.g., "to stimulate the economic growth of Asia and the Far East." It is administered through a Board of Governors who are appointed by member countries. Most of the real responsibility, however, is delegated to the ten men comprising the Board of Directors. It is this group which runs the bank.

THE EXPORT-IMPORT BANK OF THE UNITED STATES has its headquarters at 811 Vermont Avenue, N.W., Washington, D.C. 20571. President : Henry Kearns. This bank was originally established in 1934 as the Export-Import Bank of Washington, but its name was changed to the Export-Import Bank of the United States by Act of March 13, 1968 (82 Stat. 47). This bank is run by a five man Board of Directors of which three are appointed by the President. The President of the Export-Import Bank also serves as its Chairman of the Board of Directors. This bank might be called the forerunner of the entire United Nations Banking Complex and was created in the same year the United States went off the gold standard. Its purposes were to aid in financing exports, imports and exchange of commodities between the United States and any of its territories, any foreign country or its agencies and nationals. An Act of September 26, 1940 (54 Stat. 961; 15 U.S.C 606b) "authorizes loans to assist in development of resources, stabilization of economics and orderly marketing of produce to countries of the Hemisphere."

Since this bank is empowered to trade not only with nations, but agencies or nationals of foreign countries, the latitude in this authorization is almost unlimited. It is difficult to get any information as to who the "agencies or nationals of foreign countries" are. But we do know, however, that David Rockefeller of the Chase Manhattan Bank is an enthusiastic supporter of this and other international banking institutions.

As may be expected, one of the primary sources of the $13.5 billion loan authorization is from Congressional appropriations. In 1967 Congress was asked to appropriate $2.8 billion to help finance these banking operations and long-term "loans." One of the purposes of this organization is to finance East-West trade, and since the faltering Soviet economy is always short of money, any purchases made under these agreements will be eventually paid for by the American taxpayer. Next time you want to buy a Polish ham or other Iron Curtain country products, remember this. Not only do the recipients of East-West trade often default in payment, but money is given to them as a credit advance to enable these foreign competitors to buy American goods which they could obtain no other way. Such absurd business procedures could never occur in a free market situation. To further embarrass the American taxpayer, if payment is made it is frequently permitted in soft

currencies, e.g., the money of the Communist-block countries or the insolvent mini nations. This bank merely represents another device whereby the favored customers and corporations are able to sell millions of dollars worth of goods to selected foreign interests. The Foreign Credit Insurance Association is the organization which carries the risk insurance for firms doing business through the Export-Import Bank. The funds with which the Foreign Credit Insurance Association operates are also obtained from the Federal Government at bargain-basement interest rates. This is another added swindle which the financial mafia is able to perpetuate through their control of huge international corporate setups, often through the device of interlocking directorates. If the American people will rise up in rage against the perpetual betrayal of their interests by a corrupt Congress and stopped all appropriations to foreign beggars, Socialism would die on the stem. The Socialist state can never be a financial success because of the nature of its distorted economic views. Without massive doses of our money over the period of decades, not one Socialist country would have remained in power. That segment of American business enterprise which is still semi-free is the gigantic miracle which is still carrying the load of these free-loading parasites and criminal monopolists.

All of our recent presidents coo with delight at the thought of stimulating East-West trade. President Johnson called it bridge-building. President Nixon continues the identical policy of promoting the same old policies which have dominated the Washington scene for the last several decades. Some of this "bridge-building" activity finds its way into American coffins when dead GIs are shipped back to their homeland after making their contribution to this "politically mature" type of treason.

The INTER-AMERICAN DEVELOPMENT BANK has its headquarters at 808 Seventeenth Street, N.W., Washington, D.C. 20577. President : Felipe Herrera. This bank began operations on October 1, 1960 as a result of an agreement signed in 1959 between 19 Latin American countries and the United States. Later such headliners as Trinidad, Tobago and Barbados joined. The United States became a member when the Inter-American Development Bank Act (73 Stat. 299; 22 U.S.C. 283 note) was passed. The purposes are always the same, "to promote the economic development of member countries." Each member country may appoint one member to the Board of Governors but the seven man Board of Executive Directors runs the bank. This bank may make loans to the governments of members *or to private companies and banks* in these countries.

One of the unique features of this banking setup is the Social Progress Trust Fund which is administered by the bank itself. This fund is the result of an agreement executed between the United States Government and the bank on June 19, 1961. The administration of this money is discretionary and may be used for such diverse purposes as land settlement, low-income housing, sanitation and water supply, education and "training related to economic and social development."

As of December 31, 1968 the bank had authorized 498 loans totaling almost $2.8 billion in such fields as agriculture, industry, electric power, transportation, housing, education and export financing.

The AGENCY FOR INTERNATIONAL DEVELOPMENT (AID) has its headquarters at 2201

C Street, N.W., Washington, D.C. 20523. Administrator and Chairman of the Development Loan Committee : John A. Hannah. Another member of the Development Loan Committee is Henry Kearns, Chairman of the Board of Directors of the Export-Import Bark of the United States. This agency was created by Executive Order 10973 of November 3, 1961 through the authority granted by Section 621 of the Foreign Assistance Act of 1961 (75 Stat. 445; 22 U.S.C. 2381). It is operated as an agency within the Department of State.

A.I.D. activities might somewhat overlap with the other banking and lending agencies within the complex, but it "carries out United States overseas programs of economic and technical assistance to less developed countries ..." The money to finance these technical assistance projects naturally comes from Congressional appropriation. The major emphasis of the A.I.D. gift-loans is in the field of education, agriculture and health. Money is also made available to cooperatives, labor unions, and savings and loan associations. Through the A.I.D. program, selected United States investors are "guaranteed against certain political and business risks." It would be a revealing list to ascertain who the "selected United States investors" who have been so immunized against business risks by the money cartel really are. We know that the United States taxpayer has no special immunity or standing and will be the guarantor of these defunct gift-loans.

This agency also operate the Food for Peace Program (Public Law 480) through a cooperative agreement with the U.S. Department of Agriculture. It also maintains liaison with the Food and Agriculture program of the United Nations in the funding and administration of their various projects. A.I.D. and Department of Agriculture programs are carried out through a network of 104 agricultural attaches and officers covering 60 key posts in more than 100 countries. Thus United Nations directives may be directly funneled into the appropriate department within the United States for implementation and financing.

These Food for Peace and related projects are encompassed within the budget of the Commodity Credit Corporation of the Department of Agriculture which has an authorization to borrow up to $14.5 billion for use in carrying out its programs. Because of the intertwining nature of these projects it is difficult to ascertain just how much money has been available because of the problem of multiple budgets and overlapping programs.

Under the A.I.D. programs loans are also made available to foreign buyers, usually local merchants and distributors, for the importation of United States commodities.

Another instance of United Nations resolutions finding their way into official government policy may be found in the *Office of Foreign Assets Control* of the Treasury Department. This office is charged with the responsibility of administering the Rhodesian Transaction Regulations issued pursuant to Executive Order 11322 of January 5, 1967 implementing the United Nations Security Council's Resolution 232 of December 16, 1966 which imposed mandatory economic sanctions against Southern Rhodesia. Thus we can see that the President of the United States does not even pretend to represent the people but is a vassal order-taker from his international bosses who are running the super government.

Nor is this the end of the list. The Socialist millionaire monopolists were not content with the scope of power and financial control which had been given to them by the United Nations Banking Complex. Still other facets were added to implement the "aid and trade" racket which were passed by a supine Congress. The Mutual Defense Assistance Program (1949) authorized military aid to "friendly" nations. Since the government definition of friendly is quite bizarre, even nations at peaceful war with us would presumably qualify under this act. A Foreign Assistance Act of 1948, Mutual Security Act of 1952, and Foreign Assistance Act of 1961 all authorized some form of economic, technical and military assistance to various and sundry nations. United Nations expert Mary Davison estimates that the United States is committed to defend over 44 nations through such mutual defense treaties. The term could scarcely be termed mutual defense since most of the nations involved would carefully avoid any controversies which might lead to a war if they were obliged to defend themselves. These treaties are merely another coverup for the empire building oligarchists as a means of concentrating more power and money in their hands. The other intended purpose is to thoroughly discredit the prestige of the United States and dismantle her economically and militarily.

Another aspect of our economic planned phaseout will be found in the *General Agreement on Trade and Tariff*, more popularly known as the Kennedy round of tariff reductions.

As early as 1948, 23 countries had signed the General Agreement on Tariff and Trade (GATT).[10] By the end of 1967 there were 75 contracting parties and 12 countries participating. We wonder at this point who are "the contracting parties ?" Since countries were mentioned specifically, it must be concluded that the "contracting parties" probably represent the Socialist segment of favored business enterprise. The so-called "Kennedy Round" of negotiations begun in 1964 were completed June 30, 1967. They merely represented the sixth of a series of negotiations which had begun in previous years, but with one big difference. Prior negotiations had been made on an individual product basis, but by 1967 the money pool had been able to extend these self-directed benefits on an industry-wide basis.

While 50 countries took part in the 1964-67 negotiations, only eleven of them could be considered industrialized, and many of these nations were of little economic significance, e.g., Austria, Denmark, Czechoslovakia, Norway, Sweden, etc. As usual, it was the United States which shouldered its usual disproportionate share of the financial hardships as yet to be realized by this vicious plunder on America's wealth and productivity. Plans were set in motion to slash tariffs and duties up to 50 per cent, and federal subsidies would be substituted instead of tariff protection for those citizens and businesses adversely affected. This would not only add more billions of dollars to the already over-burdened taxpayer but would put thousands of individuals out of work and close many plants. In the past few years over 700 American textile plants alone have been put out of business, eliminating 500,000 jobs. More recently over 3,000 industries have left American shores to locate elsewhere. Our tariffs are already lower than those of the major markets of the world and we have been importing millions of tons of steel per year which has caused an additional loss of jobs.

The Socialist internationalists all favor these lunacies as they see in it a further step toward a political merging with Europe through the device of the Common Market. Within the next few years Europe may have a Common Market of possibly ten countries comprising a population of about 250 million people. With such a merger, common citizenship, military structure and money would probably evolve. To this conglomerate would be added the United States, sufficiently weakened by the Washington policies to fit meekly into a subservient position. We must not forget that Karl Marx was an advocate of free trade for those nations which he wanted to enslave. Our enemies in Washington are following an unswerving course to eradicate our nation, private property and individual freedom. They are serving the interests of the money cartel and will not alter this disasterous course unless enough outraged citizens recapture the Spirit of 1776. We are beginning to see world government shape up, and most Americans don't like what they see. Government has never been a friend to man, and the bigger it gets the worse it gets. If there are constitutional restraints upon the king, a citizen might find life tolerable, but if the king (dictator) seizes total control, individual life becomes serfdom. If world government were a desirable goal, the conspirators would never have had to use their devious devices and trickery to achieve it. On February 17, 1950 James Paul Warburg made the following statement before the United States Senate : "We shall have world government whether or not we like it. The only question is whether world government will be achieved by conquest or consent." One wonders if such an outlandish prediction would have been made unless enough power over Congress already existed to achieve this end.

People first came to this country to escape the persecution and tyranny of the king. When the Constitution was established, the framers were careful to protect the rights of the individual against the infringements of government. America became the shining light in the history of human achievement because settlers had the freedom to carve out a continent for themselves without the interference of government lurking at every step. People were free to innovate, build, experiment, develop new ideas and industries; and no nation has ever prospered so greatly. We became the envy of the world, yet few nations would follow in our footsteps because the ruling classes would not permit the freedom necessary to develop a truly free enterprise economy. Additionally, the type of people who came to the United States were hardy, independent and courageous. Only such people could carve an economic miracle out of an untouched continent.

Although the money pool continually harassed our nation with wars, planned panics and unwanted legislation during the 19th century, it was not until 1913 when the Federal Reserve straight jacket was placed on us, our doom was sealed. The cartelists were now firmly in control.

That the conspirators planned and executed World Wars I and II are now generally recognized by knowledgeable people. In fact, the Congressional Record, 67th Congress, 4th Session, Senate Document No. 346 entitled "Justice for Hungary" by Mr. LaFollette, March 3, 1923 states : "We repeat, and respectfully submit ... it is clearly established that Hungary did not cause and did not bring about the last World War (World War I). The responsibility for the last World War rests solely upon the shoulders of international financiers. It is they upon whose head the blood of

millions of dead and millions of dying rests." Even President Wilson, after agreeing to support Federal Reserve Bank legislation and the United States entrance into World War I in return for the presidency said after returning from Versailles, "There is a secret force at work in Europe which we are unable to trace." One of the members of that secret force was his primary advisor, Col. E. Mandel House. Another Insider, Nicholai Lenin remarked after World War I, "The First World War gave us Russia while the Second World War will hand Europe to us." How could he have predicted these events so accurately unless he had been aware of the total evil plot.

Regarding the betrayal at Pearl Harbor, Admiral Husband Kimmel in a discussion with Col. Curtis B. Dall is quoted as saying, "... I found out later that the Japanese Task Force approaching Pearl Harbor had specific orders that *if* the American Forces at Pearl Harbor became alerted *before* the attack was launched, their Task Force was to return at once to Japanese waters without attacking !" [11] He also added that his fleet had been deprived of carrier air strength and that information in a coded message had been broken by American intelligence indicating the impending attack on Pearl Harbor never reached the Admiral.

We have had World Wars I and II, the cold wars, the financial and spiritual rape of our nation, and we are now witnessing the increase in crime, drug addiction, deterioration of morals, increased governmental tyranny at every level, and armed revolutionaries in the streets. Did these things just stumble into being, or is it all a part of the strategy of the demonic gang which has so clearly demonstrated their satanic hatred of humanity by giving the world a half century of horrors. The chaos which we see all about us has been deliberately contrived and brought about so that the ultimate enslavement of the American people by a bloody revolution will be assure. After enough blood, torture, destruction and murder, the American people will turn to a dictator who will promise to restore "law and order"—Communist style. If this tragic event should occur, the United Nations World Government will then become our acknowledged ruler and the sinister forces now lurking in the background will emerge triumphant Caesars.

Although the money pool had been in control of most of the industrial nations for generations, it was not until after World War II had ended that the battle fatigue syndrome was sufficiently aroused so that they could put over their package deal of total global economic exploitation by presenting the idea of an organization which could keep the peace. They called it the United Nations and the press ballyhooed it as the only solution to continual conflict. Thus the international cartel could work more conveniently in channeling the assets of the world into one political basket. The United Nations was pushed through the United States Senate as a treaty by Alger Hiss, who was one of its designers.[12]

It may surprise many Americans to know that the "conditions" under which Stalin lent the allies his support in World War II was the eventual creation of a United Nations for Peace. The aid given by Stalin consisted of five days—but this enabled him to sit at the peace conference. When the United Nations was discussed, he emerged from the talks with three votes, while the United States had one. This was Roosevelt's final blow to the nation he had so bizarrely betrayed. According to United Nations authority, Mary Davison, the United Nations charter is not a treaty, it is a

constitution for world government, and this is exactly what it was intended to be.

Neither is the United Nations an organization for peace. A review of the chart enumerating the conflicts occurring since its establishment will quickly dispel that myth. The United States does not need the United Nations to avoid war. If we remained strong and self-reliant, there would be no nation or combination of nations which would attack us. Most of the so-called nations within its structure are totally ineffective politically, economically and productively. Their tyrannical rulers joined this organization as a means of extracting money and favors from the United States, for without the United States, the United Nations would quickly fold. When this octopus was organized in 1945 there were 46 members, mostly with European-American traditions. By 1962 there were 111 members and the Afro-Asian block had the majority of votes. In 1970 there are 127 members of which over 100 are considered "underdeveloped." Seventy-two of these have a population of less than that of New York City and only six of these have a total annual income greater than that of the State of Connecticut; Argentina, Brazil, India, Indonesia, Mexico and Pakistan.

MINI NATIONS OF THE UNITED NATIONS WITH A POPULATION LESS THAN NEW YORK CITY (7,800,000)

Nation Population[13] (1968) Per Capita Income[14]

Albania 2,019,000

Austria 7,300,000 $ 1,035.00

Barbados 253,000 $376.00

Bolivia 4,680,000 $176.00

Botswana 611,000

Burundi 3,406,000

Cambodia 6,557,000 $112.00

Central African Rep. 1,488,000

Chad 3,460,000 $66.00

Congo (Brazzaville) 900,000

Costa Rica 1,634,000 $362.00

Cuba 7,631,000

Cyprus 622,000 $642.00

Dahomey 2,571,000 $68.00

Denmark 4,870,000 $1,808.00

Dominican Republic 4,029,000 $220.00

Ecuador 5,695.000 188.00

El Salvadore 3,266,000 $240.00

Equatorial Guiena 281,000 $273.00

Finland 4,688,000 $1,475.00

Gabon 488,000 $265.00

Gambia 350,000 $70.00

Ghana 7,740,000

Guatamala 4,864,000 $265.00

Guinea 3,795,000
Guyana 719,000 $273.00
Haiti 4,671,000 $80.00
Honduras 2,413,000 $199.00
Iceland 201,000 $2,066.00
Ireland 2,910,000 $806.00
Israel 2,745,000 $1,165.00
Ivory Coast 4,100,000 $215.00
Jamaica 1,913,000 $427.00
Jordan 2,103,000 $192.00
Kuwait 540,000 $3,257.00
Laos 2,825,000 $95.00
Lebanon 2,580,000 $338.00
Lesotho 910,000
Liberia 1,130,000 $146.00
Libya 1,503,000
Luxembourg 336,000 $1,594.00
Madagascar 6,500,000 $95.00
Malawi 4,285,000 $47.00
Maldive Islands 106,000
Mali 4,787,000 $64.00
Malta 319,000 $470.00
Mauritania 1,000,000
Mauritius 787,000 $206.00
Mongolia 1,210,000
New Zealand 2,751,000 $1,763.00
Nicaragua 1,842,000 $311.00
Niger 3,806,000 $78.00
Norway 3,819,000 $1,554.00
Panama 1,372,000 $451.00
Paraguay 2,231,000 $189.00
Rwanda 3,405,000 $72.00
Senegal 3,685,000 $182.00
Sierra Leone 2,475,000 $127.00
Singapore 1.865,000
Somalia 2,745,000 $62.00
Southern Yemen 1,196,000 $120.00
Swaziland 395,000
Sweden 7,773,000 $2,386.00
Syria 5,738,000 $87.00
Togo 1,772,000
Trinidad and Tobago 1,021,000 $541.00
Tunisia 4,660,000 $181.00
Uganda 7,551,000

Upper Volta 5,175,000 $43.00
Uruguay 2,818,000 $537.00
Yemen 5,000,000 $41.00
Zambia 4,080,000 $197.00

At the present time a two-thirds majority in the General Assembly can be achieved by “nations” with less than ten per cent of the world’s population and who contribute less than five per cent to the United Nations budget. Yet each vote is equal to that of the United States. In 1969 these nations voted 61 proposals involving money for themselves, to be paid for by the United States. The United States pays about one-third of the United Nation’s regular budget and about 75 per cent of its other spending. And of the nations contributing to the United Nation’s budget, much of this money comes out of our foreign aid money. Seventy seven of the United Nations member countries have not paid their assessments and some are delinquent as far back as 1958. Yet they still may vote.

The United States can no longer afford to be a part of this outrageous organization. It should be expelled from our shores.

An example of the absurdity of “our government’s” dealings with one of the mini-members is a typical trade-treaty with the Caribbean Island nation, Barbados, population 253,000.

BARBADOS
INVESTMENT GUARANTIES

Agreement signed at Bridgetown March 11, 1968 : Entered into force March 11, 1968.
INVESTMENT GUARANTY AGREEMENT

The Government of the United States of America (the “guaranteeing Government”) and the Government of Barbados (the “Host Government”).

Seeking to encourage private investments in projects which will contribute to the development of Barbados’ economic resources and productive capacities through investment guaranties issued by the Guaranteeing Government,
Have agreed as follows :

1. When nationals of the Guaranteeing Government propose to invest with the assistance of guaranties issued pursuant to this Agreement in a project or activity within the territorial jurisdiction of the Host Government, the two Governments shall, upon the request of either, consult respecting the nature of the project or activity and its contribution to economic and social development in Barbados.

2. The procedures set forth in this Agreement shall apply only with respect to guaranteed investments in projects or activities approved by the Host Government.

3. If the Guaranteeing Government makes payment to any investor under a guaranty issued pursuant to the present Agreement, the Host Government shall, subject to the provisions of the following paragraph, recognize the transfer to the Guaranteeing Government of any currency,

credits, assets, or investment on account of which payment under such guaranty is made as well as the succession of the Guaranteeing Government to any right, title, claim, privilege, or cause of action existing, or which may arise, in connection therewith.

4. To the extent that the laws of the Host Government partially or wholly invalidate the acquisition of any interests in any property within its national territory by the Guaranteeing Government, the Host Government shall permit such investor and the Guaranteeing Government to make appropriate arrangements pursuant to which such interests are transferred to an entity permitted to own such interests under the laws of the Host Government. The Guaranteeing Government shall assert no greater rights than those of the transferring investor under the laws of the Host Government with respect to any interests transferred or succeeded to as contemplated in paragraph 3. The Guaranteeing Government does, however, reserve its rights to assert a claim in its sovereign capacity in the eventuality of a denial of justice or other question of state responsibility as defined in international law.

5. Amounts in the lawful currency of the Host Government and credits thereof acquired by the Guaranteeing Government under such guaranties shall be accorded treatment neither less nor more favor able than that accorded to funds of nationals of the Guaranteeing Government deriving from investment activities like those in which the investor has been engaged, and such amounts and credits shall be freely available to the Guaranteeing Government to meet its expenditures in the national territory of the Host Government.

6. (a) Differences between the two Governments concerning the interpretation of the provisions of this Agreement shall be settled, insofar as possible, through negotiations between the two Governments. If such a difference cannot be resolved within a period of three months following the request for such negotiations, it shall be submitted at the request of either Government, to an ad hoc arbitral tribunal for settlement in accordance with the applicable principals and rules of public international law. The arbitral tribunal shall be established as follows : Each Government shall appoint one arbitrator; these two arbitrators shall designate a President by common agreement who shall be a citizen of a third State and be appointed by the two Governments. The arbitrators shall be appointed within two months and the President within three months of the date of receipt of either Government's request for arbitration. If the foregoing time limits are not met, either Government may, in the absence of any other agreement, request the President of the International Court of Justice to make the necessary appointment or appointments, and both Governments agree to accent such appointment or appointments. The arbitral tribunal shall decide by majority vote. Its decision shall be binding. Each of the Governments shall pay the expense of its member and its representation in the proceedings before the arbitral tribunal; the expenses of the President and the other costs shall be paid in equal parts by the two Governments. The arbitral tribunal may adopt other regulations concerning the costs. In all other matters, the arbitral tribunal shall regulate its own procedures.

(b) Any claim, arising out of investments guaranteed in accordance with this Agreement, against either of the two Governments, which, in the opinion of the other, presents a question of public international law shall, at the request of the Government presenting the claim, be submitted to negotiations. If at the end of three months following the request for negotiations the two Governments have not resolved the claim by mutual agreement, the claim, including the question of whether it presents a question of public international law, shall be submitted for settlement to an

arbitral tribunal selected in accordance with paragraph (a) above. The arbitral tribunal shall base its decision exclusively on the applicable principles and rules of public international law. Only the respective Governments may request the arbitral procedure and participate in it.

7. This Agreement shall continue in force until six months from the date of receipt of a note by which one Government informs the other of an intent no longer to be party to the Agreement. In such event, the provisions of the Agreement with respect to guaranties issued while the Agreement was in force shall remain in force for the duration of those guaranties, in no case longer than twenty years after the denunciation of the Agreement.

8. This Agreement shall enter into force on the date of signature. IN WITNESS WHEREOF the respective representatives, duly authorized for the purpose, have signed the present Agreement.

DONE at Bridgetown, Barbados, in duplicate, this 11th day of March 1968.
FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA :
Fredric R. Mann Ambassador of the United States of America
FOR THE GOVERNMENT OF BARBADOS :
Broil W. Barrow Prime Minister and Minister of External Affairs[15]

In addition to the betrayal in the State Department, the most sinister danger facing America is the phaseout of our national defenses. The organization which directs the military operations of the multiple United Nations "peacekeeping" operations (wars) is the Military Staff Committee of the United Nations Security Council. The five permanent members are : China, France, USSR, UK and U.S.A. Since the United States has agreed to have a communist as the permanent head of this committee, we must be aware of the type of policies which will be formulated by this group. While the personnel may change, the policies have not varied since its establishment. These pro-Communists run all the United Nations Wars, including Viet Nam. The present executive officer of the UN Military headquarters is Leonid Kutakov, Undersecretary for Political and Security Council Affairs.[16] This man runs the war in Viet Nam, but Americans aren't supposed to know it. This is also why we have the Paris "Peace Talks." These negotiations are a coverup to keep the war going while thousands of our fine youth are sacrificed for a "peaceful war," which the military leaders admit will never be won.

Because of the ability of the left to appear anti-establishment, they lure thousands of disenchanted young people into so-called peace movements which promise to end or withdraw from the peaceful war. They also militantly condemn the United States for its alleged atrocities in Viet Nam, but remain silent about Communist atrocities wherever committed. The professional promoters of these peace movements never mention that it is a United Nations war and that the supreme commander sits in the Security Council of the United Nations. All military plans are sent through his office and before our ragged and inadequately supplied soldiers can attack, the friendly enemies have been alerted to the plans. What the brainwashed peaceniks aren't told is that these anti-war demonstrations serve a three-fold purpose :

1. They promote and propagandize discord in the ranks of the United Nations number one satellite,

the United States.
2. They tend to force everyone who disagrees with militant agitators into the pro-Nixon camp (which definitely isn't the case).
3. It serves as the basis for proposing an alternative to the draft, e.g., national service, unknown to the bulk of the chanting unsophisticates who blindly follow the pied pipers of the Insiders.

In order to develop the world for the monied interests, it is necessary to have qualified personnel. Since most of the nationettes comprising the member states of the world government are backward non-entities, it is necessary to find people to teach these creatures certain rudimentary skills which many lack. The bank boys must have semi-volunteers to show these natives how to plow with machinery, drive a truck, sweep with a broom, fish with a hook, read on an elementary level and in some cases, even to wear clothes.

Therefore, the idea of a civilian army of technicians was launched. To condition the American sucker into accepting a global self-service concept, the Peace Corps idea was publicized. Now the "alternative to the draft" concept is being pushed, mainly through the hardcore revolutionists within the so-called peace movement.

The official planning body for the "alternative to the draft" concept is the National Service Secretariat, a tax-free foundation funded for this global involuntary servitude corps. They plan to begin with two years of an "alternative to the draft" with young men 18 to 20. This will eventually be expanded to include young women of the same age. Eventually the ages for "service" will be increased to 35 years of age for both men and women, including young mothers. These "draftees" (serfs) will be sent wherever the planners decide. Families will be broken up and babies raised by the state. The ultimate aim of the National Service Secretariat is to abandon the voluntary concept and make these years of "service" (servitude) compulsory.

The World Bank is the fiscal agent of the United Nations and plans are now under way to issue a world currency through its International Monetary Fund. Lest Americans think that an international currency would benefit Americans. Let them examine the exchange rates and see what the dollar (even now) is worth in comparison to other currencies. This is another point to remember when we are talking about the billions disbursed through foreign aid and other global giveaways. Several random examples of foreign aid given during 1968 illustrate this point :

Foreign Aid[17] (Amounts in U.S. dollars) Exchange Rate : (Sept. 15, 1970—Wall St. Journal)
Approximate Value in Receiving Country's Currency
Brazil $ 195 million .2170 $ 792,000,000
France 12 million .1810 66,000,000
Gr. Britain 185 million 2.385 79,000,000
India 583 million .1325 4,410,000.000
Israel 29 million .2875 81,600,000
Mexico 53 million .08 848,000,000
Spain 45 million .0144 3,105,000,000

These figures do not include additional distributions of military aid, agricultural, technical, educational, programs, nor any distributions made through such financial institutions as the Asian Development Bank, Inter-American Development Bank, International Development Association and the multiple other means whereby American taxpayers earnings are hijacked for the financial benefit of the money mafia. One of the few advantages Americans have left in a hostile world is the slight edge they often realize in foreign currencies when travelling. With an international money managed by the usurers, whatever is left of our few rewards for having produced the wealth in the first place will be forever gone.

It should now be apparent that when the multi-faceted United Nations apparatus was set up it was strictly for the benefit of the international money changers. Additionally, they now have the use of our armed forces when needed and are in a position to control all the governments on earth through their lending facilities, technical aid programs, etc. With a record of such treachery, terror and treason used in achieving the power they now possess, is there any reason to suppose that total control will be any less evil ? It is only necessary for the Insiders to control two or three big powers, as the smaller nations will align themselves with those nations who will benefit them the most. With an apparently weak and vacillating United States, the smaller nations of the world look for strong leadership which is so obviously lacking in Washington. Since the big deceit is to portray the United States as fighting Communism (while it is in actuality establishing it globally), the uninformed mini states align themselves with the blustering Soviet Union which is propagandized as the infallible giant. Most of the nations and people of the world are still unaware of the fact that the entire apparatus is in reality operated out of New York and London banking houses. And Washington like Moscow, Hanoi, and all other capitols, take their orders from these sources.

No dictator in history has ever had the kind of absolute power which is now emerging in the United Nations and its banker backers. And no person on earth will escape from their control. All the safeguards and constitutional rights which have been wrought over centuries of sacrifice will be abolished. The population of the globe will be reduced to a state of slavery in which every facet of human life, from conception to cremation, will be controlled.

In addition to expelling the United Nations from our land, we should immediately discontinue all foreign aid, dismantle the United Nations Banking Complex and establish a constitutional, honest money system. We must also stop placing mother hen to the rest of the hostile and ungrateful world. Let each nation develop in its own way according to its own customs, abilities and traditions. If industry wishes to build dams, roads, paper plants, etc. in foreign territories, it should be clearly understood that the American taxpayer is not to undertake the responsibility for the venture. With the knowledge that there will be no subsidies, business will expand on a sound basis and the local governments will cooperate with them gladly. Jobs and a rising standard of living will ensue in these areas and the standard of living for these people will gradually rise.

Our United States is now controlled by the motley characters who make up the United Nations General Assembly and Security Council and their invisible bosses. This accounts for the peculiar

and anti-rational type of decisions which have been emanating from the Supreme Court for many years. It is also the reason there are no plans for winning the non-war in Viet Nam. This is all a part of the empire building apparatus evident in Asia, and our soldiers are being used at slave-labor prices, to accomplish these purposes. Did you know that over eighty per cent of the military in Viet Nam are engaged in what is termed pacification duties, e.g., building roads, air strips, etc. for non-military purposes ? Thousands of our men are killed and wounded per year, but this is a necessary facade to keep the illusion of fighting Communism alive in the minds of the hopelessly brainwashed American people.

If we are to ever extricate ourselves from the terror which is being planned for us, we must not be bemused by their propaganda. The conspirators must be judged by their deeds and not their words. Every program which has been launched by the Insiders has begun in honey coated lies and ended up in more power for the manipulators, less freedom for the individual, and more taxes to finance their global plunder. The neologism of their outworn phrases of minority rights, childrens rights, human rights, human dignity, etc. should enrage every informed citizen. These cliches are traps for the unwary. It is now up to informed and angry Americans to begin the long road of dismantling this evil octopus, establishing a sound and constitutional money system, and reestablishing the Constitution as the supreme law of the land. If only five per cent of Americans become angry enough to do something about it and encourage others to join them, the conspiracy would fold up under the pressures of public opinion. Politicians would never again dare to betray the citizens they took an oath of office to represent. If they refuse to alter the onward acceleration towards our national annihilation, we can take a cue from their subsidized and popularized revolutionists or our fighting forefathers, and act.

Alternative solution : If we wrested control of the money from the criminal monopolists, they would lose all effectiveness. They would be unable to buy off politicians through their control of the wealth of the nation. They could no longer send billions of our dollars to bail out Communist countries and their satellites from their perpetual financial insolvency. Without our technical aid and money, aggression and wars would be an impossibility for these nations. All the subsidized minority groups and criminal gangs would cease to exist without their lavish funding. Therefore, it is imperative for Americans to realize the fundamental cause of our worldwide woes and demand and force Congress to establish a money system in accordance with Article I, Section 8, Paragraph 5 of the United States Constitution. A united front on this matter by all Americans, regardless of political party, is our only means of survival.

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1. Mary Davison, *The Profound Revolution* (Omaha, Nebraska: The Greater Nebraskan, 1966).

2. All chart information obtained from International Bank for Reconstruction and Development, 1818 H Street, N.W., Washington, D.C. 20433. Bank Press Releases of varying dates issued from October, 1969 to February, 1970. (American and Canadian participating companies underlined.)

3. *U.S. Government Organization Manual* (Washington, D.C.: General Services Administration, 1969-70), pp. 568-570.

4. *Yearbook of International Organizations*, Volume 12 (Brussels, Belgium: Union of International Associates, 1968-69), p. 619.

5. The IMF occupies the same building as the World Bank.

6. *U.S. Government Organization Manual*, 1967-68, p. 548.

7. U.S. Government Organization Manual, 1967-68, p. 612.

8. United States Government Organization Manual. Washington, D.C. Office of the Federal Register, 1969-1970, p. 569.

9. United Nations Documents Index, Cumulative Checklist, Volume 17 (New York: United Nations, 1968).

10. *Yearbook of the United Nations* (New York : Office of Public Information, 1967).

11. Curtis B. Dall, *F.D.R., My Exploited Father-In-Law* Tulsa, Oklahoma : Christian Crusade Publications, 1967).

12. Curtis B. Dall, *F.D.R., My Exploited Father-In-Law*, p. 59. "Basically, the United Nations is but a long-range, international banking apparatus neatly set up for financial and economic profit by a small group of powerful One-World Revolutionaries, hungry for profit and power."

13. Population statistics compiled from *Monthly Bulletin of Statistics*, January, 1970, Volume XXIV, No. 1, United Nations, New York.

14. Income statistics compiled from *Statistical Yearbook*, 19th Issue (New York: United Nations, 1967).

15. *United States Treaties and Other International Agreements*, Volume 19, Part IV (Washington, D.C.: Department of State, 1968, pp. 4692-4694.

16. Permanent Missions to the United Nations No. 221 (New York: United Nations, 1969).

17. *The World Almanac and Book of Facts, 1970*. (New York, Newspaper Enterprise Association, Inc., 1970.

Chapter VIII
FOUNDATIONS

... if any would not work, neither should he eat.
—II Thes. 3:10

When the Income Tax Amendment was adopted in 1913, one of its main but unmentioned objectives was the plot to tax the "have nots," e.g., the productive blue and white collar classes, and leave the "haves," the millionaire elite, tax free. In order to accomplish this purpose it had to be presented as a humanitarian, generous and socially desirable measure. In keeping with Karl Marx's money-minded platform, it was an ideal method of taxing the middle classes out of existence. One of the means to accomplish this end was the use of the tax-free foundation. The foundations were designed with tax evasion and avoidance in mind so that under the guise of philanthropy, millions of dollars could be used for the purposes of rearranging society in accordance with the goals of the neo-feudalists.

The earliest of these foundations were oriented into the field of education, primarily at the university and graduate level. Educational foundations had been set up even prior to the establishment of the Income Tax Amendment and Federal Reserve Banking Act of 1913, but the purpose of these earlier ones was to gain a footing in the teaching field of American colleges. The purpose was to train, and ultimately control, the teaching profession and religious seminaries, so that the thinking of the nation could be moulded in the manner which the money masters deemed appropriate. In order to control man, it is necessary to control his thinking. This is why the educational foundation was the cornerstone in the building blocks of a Socialist-feudalist society. The results of this mind manipulation are now evident as the progressive education, anti-individualistic mentality emerges from the colleges and government halls, with club in hand ready to destroy western civilization. Our youngsters worship the collective and despise the individual. They have been trained to think in terms of service to others and the good of society. These deceptive phrases mean one thing to the Insiders, but the youngsters accepting them at face value are quite willing to sacrifice their lives for the "good of society," which translated means for the financial benefit of the Insiders. The anti-individualist mentality of the totalitarians is everywhere apparent in our media and educational thinking today. To see how far they have gone in dehumanizing society, a quote from an Associated Press release dated August 27, 1967 from Weisbaden, West Germany might be mentioned : Professor Stanley Less of Columbia University remarked before the International Congress of Psychiatry that, "Society may well become depersonalized and desexualized in the next 50 years ... and anyone who tries to be an individual will be looked upon as odd, reactionary and anti-group." This would be the final triumph of the cult of behavioral scientists and their followers who hope to reduce man to an automatized robot.

Through the monopoly of wealth and power, the money pool has not only been able to seize the

money issuance prerogative, control education and communications, but also to gain control of corporation after corporation.

The turning point in their bid to annex the United States was the pivotal year 1913, when the third coup d'etat of the Insiders was accomplished. The 17th Amendment, which transferred the election of state senators from sovereign states to "the people", completed their triple-whammie legislation. They were now ready to launch their campaign to emasculate the United States Constitution and move this nation toward a Sovietized society with centralized control of all facets of life the ultimate goal. Through the use of interlocking directorships, a handful of financial pirates were able to direct the financial destiny of our nation and the world. On December 13, 1911, Mr. George M. Reynolds of the Continental and Commercial Bank of Chicago stated, "I believe the money power now lies in the hands of a dozen men. I plead guilty to being one of these men." Huge sums of money were poured into elections, and as a result the conspirators could influence their outcome. The myth that only a selected few are able to understand "high finance" is carefully nurtured and much of the information regarding economics and finance is deliberately done in such a garbled fashion that it would take a code breaker to understand what is really being said. The manipulators want people to feel inferior and incapable of understanding economic matters so that they will leave them in the hands of the "experts."

Let us take a look at the statistics of wealth in America as of 1968. According to Ferdinand Lundberg in his *The Rich and the Super Rich*, "less than one tenth of one per cent are millionaires. Forty five per cent of all households had a net worth of less than $5,000."[1] Is this affluence ? With continued taxation and inflation, many harried husbands are required to hold two jobs to enable their families to meet the basic needs of our expensive society. More and more women are obliged to work, often leaving children unsupervised. This is another factor contributing to increasing juvenile delinquency.

According to Russell Maguire, in his article *Concentrated Wealth and Power*, "When the Babylonian civilization toppled, three per cent of the people owned all the wealth. When old Persia went down to destruction, two per cent of the people owned all the wealth. When ancient Greece fell in ruins, one half of one per cent of the people owned all the wealth. When the Roman Empire fell on its face, two thousand people owned all the wealth of the civilized world."[2] After the fall of the Roman Empire, the Dark Ages were ushered in. Some historians feel that this era did not end until all the wealth had been decentralized.

We now face a situation in the United States where, despite our tremendous productive capacity and inventive genius, *less than one per cent of the people control ninety per cent of the wealth of our nation.* Behind the control of this one per cent lies the heavy hands of the money monopolists. Prominent in this group are the Rockefeller interests which are represented in over two hundred corporations within the United States alone. In Europe, the Rothschild money wields a similar tight-fisted control over much of its industry. The Society Generale de Belgique is a holding company which controls over 1500 companies located in various nations throughout the world. Some estimates put the assets of the Rothschild interests in excess of $300 billion.

To understand how our thinking has been twisted into the anti-rational, anti-civilization mold, we must realize that it was all planned that way. After the management of our economy was officially turned over to the money mafia in 1913, their collaborators immediately set plans in motion to begin the process of making collectivism appear forward looking, avant guarde and the "in" thing. In 1914 an organization called The Inquiry was established which had representation from The Intercollegiate Society, a group of left-leaning American intellectuals. The purpose of this group was to recruit and train a coterie of handpicked fanatics who considered themselves a superior elite, capable of deciding the fate of the world and also ruling it. Within this nucleus of self-annointed snobs the Covenant of the League of Nations was prepared. This first thrust for world government failed because the United States Senate refused to ratify the treaty. After this defeat the conspirators reformed their line of attack and one of their first moves was to reorganize the Inquiry into the Council on Foreign Relations. Few people in America even now realize that the United Nations world government setup was a plot which had been carefully developed since World War I. Before most Americans could be conditioned into relinquishing national sovereignty, a tremendous propaganda campaign had to be undertaken. This was launched through the schools and textbooks, television and other media, slanted news commentary and, more recently, the use of nuclear annihilation threat as the basis for foreign policy. Through the release of such horror films as On the Beach, Dr. Strangelove, etc. and the publication of daily radiation fallout quotations, etc. the climate was established for the gradual phaseout of our military superiority and the complete emasculation of this nation's supremacy in military, industrial and financial matters.

In England the Royal Institute of International Affairs might be considered a counterpart of the Council on Foreign Relations. Other similar organizations are the Institute des Relations Internationales in Belgium, and the Indian Council of World Affairs. Similar groups exist in most of the major powers, and often even in smaller nations.

We must not overlook the interlocking directorship which exists within corporations and often extends into an invisible international government. Highly placed members of the Council on Foreign Relations occupy positions of prominence in many of our giant corporations and their influence extends beyond corporate corridors into the national, state and even local legislative bodies.

Foundations are one of the most important power centers on our national scene. Their numbers have proliferated rapidly, having increased from some 13,000 in 1952 to over 45,000 by 1960. Even the Treasury Department does not know the exact number of tax-free foundations operating within the United States. Secretary of the Treasury C. Douglas Dillon testified on July 21, 1964 that "the Treasury does not know how many foundations there are." It is estimated that there are about 100,000 tax-free foundations in the United States at the present time. The top ten account for more than one-third of all foundation assets.

BIG TEN AMONG FOUNDATIONS Assets (millions)*
Ford Foundation $3,580

Rockefeller Foundation 804
Duke Endowment 615
Mott Foundation 424
Lilly Endowment 390
Kellogg Foundation 375
Carnegie Corporation 336
Sloan Foundation 327
Pew Memorial Trust 303
Hartford Foundation 270
* At end of 1967, latest available source : Foundation Center

In the March 3, 1969 issue of *U.S. News and World Report*, it states that foundations are proliferating at the rate of about 2,000 per year. In 1960 their assets were estimated to be $11.5 billion, but by 1968 this figure had risen to $20.5 billion. The amounts reported may not represent the true figure as often assets are carried on the books at less than market values. A United Press International report of July 19, 1969 stated that the income of the largest 596 foundations is more than twice the net earnings of the nation's 50 largest commercial banks. Giant Ford Foundation's annual income is greater than the world's largest banking institution, the Bank of America.

A recent Treasury Department study revealed that there are at least 100 major United States corporations in which foundations owned at least 20 per cent of the stock. It is the belief of this writer that many corporations pay dividends primarily for the benefit of this class of stockholder. An individual taxpayer benefits little from corporate dividends as they are taxed as ordinary income, but the tax-free foundation giants reap millions of dollars of income through this device.

The following chart shows a partial list of the holdings of the Ford Foundation. According to the dividend rate in effect at the time of the report, Ford's tax-free income from the first five stocks alone amounted to $812,000. This income derives from the first five on the list. And the 20 companies listed is only a partial list.

20 LARGEST BLOCKS OF COMMON STOCKS IN FORD FOUNDATION PORTFOLIO*

	Sept. 30, 1967		Sept. 30, 1966	
	Market Value	Shares Held	Market Value	Shares Held
Standard Oil (N.J.) (1)	$ 25,594,000	382,000	$ 24,209,250	382,00
IBM (2)	20,614,200a	37,600	10,668,000	33,600
Boeing	12,839,000	148,000	4,080,000	80,000
Freeport Sulphur (14)	12,354,375	165,000	5,640,000	160,000
Polaroid (7)	10,780,250	53,500	7,176,000	52,000
United Airlines (6)	9,986,875	145,000	7,369,5000	144,500
ITT (15)	9,811,838	89,300	5,461,313	85,500
Alcan Aliminum (3)	9,800,000	350,000	9,231,250	350,000
Eastman Kodak (5)	9,637,650	72,000	7,565,000	68,000

Intl. Nickel (9)	9,202,000	86,000	6,365,250	82,000
American Telephone (8)	9,181,875	177,000	7,175,000	140,000
United Aircraft (4)	9,068,250	107,000	7,811,000	107,000
Corning Glass (10)	8,721,000	25,500	6,300,000	22,500
Amer. Forgn. Power	8,192,500	290,000	3,400,000	200,000
Intl. Silver	8,021,500b	131,500	3,828,125	125,000
Texaco (12)	7,815,500	98,000	5,719,813	86,500
Litton Industries	7,618,236a	71,032	4,060,000	68,162
Gulf Oil	7,280,000	104,000	4,060,000	72,500
Coca Cola	7,239,375	58,500	3,427,000	46,000
Royal Dutch (16)	7,068,750	162,500	5,328,125	155,000

* Not including 32,530,936 shares of Ford Motor non-voting Class "A" stock.
a Reflects 2½% stock dividend.
b Reflects 5% stock dividend.
(Figures in parentheses indicate 1966 rank, if any.)
Source : *The Exchange* (New York: New York Stock Exchange, May, 1968).

Of the top 20 holdings, the fewest number of shares was represented by Corning Glass, with "only" 25,500 shares. It is clearly apparent that with this kind of taxless cash, the influence which can be wielded is tremendous.

Not every foundation is engaged in subversive or revolutionary activity, but they do all have one thing in common: They have all been set up with the purpose of avoiding taxation and passing the buck on to us, the taxpayers. Another less celebrated reason for the private foundation is a means of keeping control over wealth. The negative sounding words "not for profit" really mean that they pay no taxes on their profits.

The establishment of a foundation also gives other advantages to a wealthy individual. Dr. Martin Larson, noted economist, cites the following advantages to the donor who establishes a foundation :

1. The property conveyed to the foundation is deductible as a contribution to charity.
2. No inheritance or estate taxes are levied upon the contribution when the donor dies.
3. The property remains intact.
4. If the donor is a parent company, it continues in business as before.
5. Individuals occupying executive positions gain many advantages through the use of interlocking directorships.

No one can estimate with certitude how many billions of dollars of taxes per year are avoided through these devices, but Dr. Larson believes it might be over $50 billion. Foundation property may be used by the donor during his lifetime without retaining title. For example, the multi-millionaire Kennedy family enjoy the use of their many homes which are owned by various foundations without the problems of ownership. Even the huge Merchandise Mart in Chicago is

owned by a Kennedy foundation and until recently, did not even pay real estate taxes. It was then decided for political purposes to make a token offering which constituted but a fraction of what a corporate owner would have been required to pay. Dr. Martin Larson further estimates that "the creation of the Ford Foundation has already cost the federal treasury something like $8 or $10 billion" in unrealized taxes.

It is no wonder that the Socialist kingmakers fear any investigations which would expose the true nature of the tax evasion tactics of these foundations to the public. In 1953 the Reece Committee was appointed by a reluctant Congress to investigate foundations. One of their reports stated that "... the power of the individual large foundation is enormous. It can exercise various forms of patronage which carry with them elements of thought control ... It can materially predetermine the development of social and political concepts and courses of action through the process of granting and withholding foundation awards upon a selective basis ... It can play a powerful part in the determination of academic opinion, and through this thought leadership, materially influence public opinion."

In 1902 John D. Rockefeller, Sr. established an organization known as The General Education Board for "the promotion of education within the U.S.A." Several years later its chairman Frederick T. Gates wrote, "In our dreams we have limitless resources and the people yield themselves with perfect docility to our molding hand." Let's see what the "molding hand" accomplished. At Columbia University in the 1920s Dr. Harold Rugg, a follower of John Dewey, began to specialize in writing for teachers. In his book *The Great Technology*, written in 1933, he declares, "A new public mind is to be created. How ? Only by creating tens of millions of new individual minds and welding them into a new social mind." He further states, "... through the schools of the world we shall disseminate a new conception of government, one that will embrace all of the collective activities of men; one that will postulate the need for scientific control and operation of economic activities." The teachers colleges indoctrinated the teachers and implemented their thought control through the National Educational Association. What was the result ? After studying the "Commission on Social Studies" of the American Historical Association (financed by the Carnegie Foundation), Socialist Professor Harold J. Laski remarked, "At bottom end stripped of its carefully neutral phrases, the report is an educational program for a Socialist America."[3]

The most serious flaw in the structure of the foundation setup from the standpoint of the average citizen is the element of thought control which is exercised. Since the officials are generally men of wealth and position, they attract followers. This is true not only in business and industry but in the educational fields as well. A bright young student will usually identify favorably with the foundation which offers him a much needed fellowship or research grant. He will tend to develop attitudes sympathetic toward the objectives and thinking of foundation officials. This is the indirect method of thought control. The more direct one is the Fullbright or similar type scholarships which are generally awarded only to students who, when properly investigated, are found to be intellectually reliable.

The Reece Committee found that the foundations tended to develop a bureaucratic structure within and were usually managed by professionals. They also found “interlock” or cooperation among the powerful big-name funds which included such “intermediate organizations” as the following :

The Social Science Research Council
The Council of Learned Societies
The American Council in Education
The National Academy of Sciences
The National Education Association
The Institute of Pacific Relations
The League for Industrial Democracy
The American Labor Education Service
The John Dewey Society
The Progressive Education Association

The above-named funds were named by the Reece Committee Report as organizations “whose power and influence is enormous.” How enormous their influence has been may be determined by the change in the thinking of Americans. A generation or more of citizens has been exposed to the progressive and permissive educational programs advocated by John Dewey and his followers. It was absolutely necessary for the collectivists to alter individualistic thought patterns in order to soften people up for a dictatorship. This process, begun slowly and carefully at first, was well under way by the 1940s. The total impact of what has been done to our children’s minds is now apparent by a glance at almost any college campus in the country.

Textbooks were rewritten and classrooms were used as launching pads for the new order. By the dawn of the 1970s it is virtually impossible to find a professor who has attitudes even as far “right” as center. This is the net result of the teaching experiments which have been used as a drug on the American educational market and dispensed with Pavlovian finesse to an unsuspecting student body and gullible public. Revolutionary ideas have been presented by classroom pundits as remarkably new, noble and progressive. The most maneuverable swallowed the bait and went out to catch new fish. Objective analysis of the real goals, aims and purposes were never permitted—as the true “liberal” totalitarian permits no opposition. Mind manipulation has continued so long that millions of Americans are unable to even argue the merits or demerits of the positions advanced. These brainwashed citizens mutely accept the doctrines of cartellist One World government advocates as a desirable goal. They are unaware that the revolution has been planned by the money elite who seek for themselves total monopoly. To question the ideas, aims and philosophy of the collectivists would be the one heresy not permitted in 20th century America.

It is also difficult to live in a vacuum. Since the money power is so extensive, any opposing voice is usually either neutralized or bought off. If occasional cries of agonized individualism persist, the time-honored technique of smear and other propaganda devices are used to discredit them sufficiently so that their protestations are rendered valueless.

On the educational front the propaganda pitch has been to downgrade our nation and teach the "citizen of the world" concept. The present chaos and disintegration of our educational system may be largely traced to the foundations and their distributions of money. It is also apparent that the children are not being taught the disciplines which would enable them to master such relatively simple skills as reading, writing grammatically and the use of basic arithmetical methods. The outlawing of education was instituted under the guise of updating or giving the schools new methods. The methods were in reality non-methods and accomplished the very purposes they were intended to accomplish.

The dissatisfaction of parents has now reached the point where a continuance of the chaos in the name of education will probably not be allowed to continue indefinitely. Therefore, the manipulators will move into the next phase—that of thought and ethics control. We have already seen the effects of permissive education. Now sex education and sensitivity training are on the agenda to further demoralize our nation's young. To successfully alter human behavior it is necessary to (a) predict it, (b) control it. For this reason the science of behaviorism has received so much vogue in psychological and educational circles. Those who advocated its use were elevated to top positions in the hierarchy. Those who opposed it or clung to traditional moral values were dumped or discredited.

Since the days of Pavlov, when his experiments with dogs indicated the possibility of controlling and predicting behavior, it has been the goal of the totalitarians to apply these methods to the general population. Hitler used this technique to make his followers mindless fanatics. In Russia they used the same tactics and called it psycho-politics. In the United States we refer to it as behaviorism. Needless to say, the population must be led to "new goals" by the experts. These new goals are now being achieved by the same methods which parade under various names such as sensitivity training, group therapy, group dynamics, encounter groups, human workshops, etc. They all have the same purpose in mind, that of breaking down traditional moral and human values and the substitution of the "new morality." What the manipulators are aiming for is total thought and behavior control of the entire population.

To seize children from their parents at an early age would invoke much resistance, even in today's apathetic and government-worshiping America. Therefore, the child must be alienated from his parents' views and oriented into the thought patterns selected by the conspirators. It is first necessary to discredit traditional ethical and religious values. Then political ideologies may be substituted which would not have been adopted by more than a fraction of the population without the use of such mind-destroying methods.

The frantic rush on the part of government to obtain control of the schools is necessary before the direction of our future citizens can be changed.

If you want to peer into the future of ethics control, consider the words of Dr. Joose A.M. Merloo, an expert on the subject of thought control. In his book *The Rape of the Mind,* he explains the difference between thought control and persuasion or indoctrination. Dr. Merloo said, "It is taming, it is taking possession of both the simplest and the most complicated nervous patterns of

man. It is the battle for the possession of the nerve cells. It is coercion and enforced conversion. Instead of conditioning man to an unbiased facing of reality, the seducer conditions him to catch-words, verbal stereotypes, slogans, formulas, symbols. Pavlovian strategy in the totalitarian sense means imprinting prescribed reflexes on a mind that has been broken down. The totalitarian wants first the required response from the nerve cells, then control of the individual, and finally control of the masses."

Any objective observer would probably conclude that we are now in the breakdown of the nerve cell stage, where the conditioners are inducing young people to accept dope, disease, directionlessness and disaster as an inevitable way of life.

Unfortunately for the mind manipulators, there still exists a vast storehouse of religion which would prevent the total social engineering of society from planned birth to directed death. For this reason, the mind destroyers must eradicate every vestige of religion. The "legal" crutch on which they lean to accomplish this is the overused doctrine of separation of church and state. Only a totalitarian would despise individuality. This is God's greatest gift to man. We are all individuals. We are born, live and die as individuals. Even a group or mob is still composed of individuals. Consider the billions of people on earth, and, except for identical twins, none look alike. None have exactly the same personality, nor the same predictable reactions under given circumstances. We were created as individuals to work out our own destiny. When our nation was founded, the greatest asset it had was its vast wilderness and a courageous and independent population. There was a minimum of government; no power structure with which to cope. In less than 150 years these enterprising people had created the most progressive, wealthy, and envied nation on the face of the earth. With continual government interference we are being crushed, weakened, and destroyed. Total government will complete the annihilation of the individual and nation. The nature of government is inescapable. It is totalitarian prone and will do exactly as governments always have done—perpetuate its own power and privilege at the expense of the population at large.

The primary aims of the psycho-politics crowd is to produce the maximum amount of chaos in the culture of the enemy (the United States). To quote the words of Lavrenty P. Beria, former NKVD chief,

> "Our fruits are grown in chaos, distrust, economic depression and scientific turmoil. At last a weary populace can seek peace only in our offered Communist State ...
>
> "You must labor until we have dominion over the minds and bodies of every important person in your nation ... You must work until suicide arising from mental imbalance is common and calls forth no general investigation or remark ...
>
> "With the institutions for the insane, you have in your country prisons which can hold a million persons and can hold them without civil rights or any hope of freedom. And upon these people can be practiced shock and surgery so that never again will they draw a sane breath. You must make these treatments common and accepted. And you must sweep aside any treatment or any group of persons seeking to treat by effective means ...

> "You must dominate as respected men the fields of psychiatry and psychology ... Psycho-politics is a solemn charge. With it you can erase our enemies as insects. You can cripple the efficiency of leaders by striking insanity into their families through the use of drugs. You can wipe them away with testimony as to their insanity. By our technologies you can even bring about insanity itself when they seem too restive...
>
> "You can change their loyalties by psycho-politics."

With the advance in drug therapy and science, we shudder to wonder what type of wonder drug these psycho-politicians will use when their mental hospitals are filled with the "politically insane" (e.g., dissenters).

In 1954 an offshoot of the Adult Education Services of the National Education Association was changed to National Training Laboratories (NTL). Its purposes were to study and implement the goal of the behavioral scientist—human change and how to bring it about. On the scene now are "change agents" who may be psychiatrists, educators, social workers or even those sympathetic but unaware of the true goals of the manipulators. Many workshop-type affairs are now being held throughout the nation in industry, police departments and educational institutions. It's here, right now—but the wolf isn't recognized as a ravenous beast but is presented as a kindly reformer who sees evil in the world and has set about to change it—his way.

Lest we forget, the United Nations—and one of its organizations, WHO (World Health Organization) advocates legislation permitting psychiatric treatment. They want power to incarcerate people whether they are willing or unwilling to accept treatment. They are also to be full guardians over the property of patients (e.g., no civil rights). Remember, the United States Constitution is outmoded and we have replaced it with something "new and better." Of course, all these goodies are to be on a compulsory basis, supervised by the experts. Eventually, WHO expects to be the licensing agent for all hospitals and only those which they approve will be allowed to operate. The same rule of thumb will apply to physicians. Only those who agree with the tenets of WHO will be permitted to practice.

Is this legislation effective in your state ? In 1950 the Federal Security Agency (which has now been updated into the Department of Health, Education and Welfare) introduced in the United States legislative principles which would carry out the WHO plan. This act was known as "Draft Act Governing the Commitment and Hospitalization of the Mentally Ill." Over 30 states have adopted all or portions of this Draft Act. Is yours one of them ?

When propaganda passes from the persuasive stage into the compulsory stage, the above things will be total realities. We are seeing the transition now. Be aware of it and be prepared to take the appropriate action.

In order to understand the seductive phrases and ambiguous titles of legislation and propositions it is necessary to fall back on one of the admonitions of one of the top stock market speculators of all time—Jesse Livermore. He said, "to be successful in this business you have to disbelieve everything you read in the papers. It is necessary to sift through the news and do your own

editorializing. Pay no attention to what they say just ask yourself three questions : 1. WHO said it; 2. WHY did they say it; 3. WHAT do they want you to do." There is always a purpose in a story—especially in a propaganda pitch designed to evoke a particular type of reaction. Examples of almost hysterical propaganda which assail us continually are such topics as cigarette smoking, air pollution, population problem, student unrest, etc., etc. We already know WHO said it, therefore we will pass on to the WHY. They want us to "do something" or condition us into letting someone else do something. If we analyze the smoke behind the cigarette controversy we might calmly consider the effects of marijuana, heroin and related popular drugs. If cigarettes are bad—why are dope users continually upgraded and given sympathetic television and news coverage ? Perhaps stage two, the breakdown stage is now a reality, and the induction of insanity and mental illness (a broader term) is here. The WHAT is clearly apparent. We need legislation to cope with the problem—and the legislators are ready and willing to put more regulations on the books giving them more regulatory and police powers. Why such legislation ? To prepare the victims for eventual world dictatorship.

Often the purposes of a new propaganda campaign are not apparent at first. That there is air pollution is undoubtedly correct. That something should be done about it is also probably correct. However, the statistics given by the government are unreliable and their purposes are as yet not clearly discernable. It might be the beginning of a vast attempt to decentralize cities and an exercise in population control. With this would come more vast powers of condemnation of property, regulation of business and individuals, further encroachments upon individual liberty and the ultimate goal, total control of the entire population through this cleverly-contrived ruse. Beware of the solutions which the enemy offers when we know him to be a ruthless predator.

An informed public will not be fooled. And an informed public is exactly what the manipulators fear the most. This is why all opposing views are ruthlessly crushed.

Can we overcome the enemy—the powerfully, entrenched government, the tax-exempt funds, and their subsidiaries, and the driving force behind the entire facade—the money power ? It won't be easy. We must begin by obtaining correct information. We must also understand the workings of the corrupt money system with its allied tax dodges such as mutual and cooperative enterprise, foundations and the income tax. This will be the first step toward our reawakening as a nation. The second step will be to make these understandings a legislative reality. Only then will we be able to weed out the treasonous degenerates who have destroyed our nation and heritage for power and privilege. It will take almost revolutionary resolve on the part of people to drive out the imposters on all levels and reconstruct a society based on the principle of sanity, a limited, constitutional government and individual freedom.

The United Nations Complex and its banking institutions must go—we must obey the constitution and enact an honest money system which will permit the government to spend money into circulation debt free. In this way the government will obtain the money it needs for those legitimate expenses which are clearly delineated in the Constitution. We will be freed of the grotesque illegal debt with which we are saddled, and the income tax, as well as estate, inheritance

and gift taxes will be abolished. Government will serve the people as it was intended to do, and not rule as it is now doing. George Washington knew the danger of government. As he lead the gallant troops in the defeat of the British in the Revolutionary War, he said, "Government is not eloquence, it is not reason. Like fire, it is a dangerous servant and a fearful master." His words have proved to be too prophetic.

A ray of hope : What happens when the indoctrinated are exposed to the truth ? The reactions vary, but here is an interesting example of one single survey made by Campus Studies Institute, P. O. Box 9355, San Diego, California 92109. This very young and new organization is attempting to combat the effects of revolutionary doctrine on the campuses and has been mailing literature to combat such statements as the one by Eldridge Cleaver of the Black Panthers when he said, "America is up against the wall. This whole apparatus, this capitalistic system and institutions and police ... All need to be assigned to the garbage can of history ... If we can't have it, nobody's gonna have it. We'd rather provoke a situation ... that will disrupt cities and the economy so that the enemies of America could come in and pick the gold from the teeth of these Babylonian pigs ..." (the average citizen). Said the Institute, "These are not the words or tactics of the innocent. They are part and parcel of one of the most ingenious methods of destroying societies conceived of by man."

Their experiences after making a survey of opinions both before and after a mailing survey :

Before	After
Twenty-five per cent had little knowledge of the militant "New Left."	Some forty per cent of the previous total who were undecided in their opinion regarding New Left now developed attitudes of opposition.
Twenty-five per cent believed the "New Left" was offering rational alternatives to the existing political and economic system.	Fourteen per cent of *all students* receiving the mailings had developed attitudes of opposition to the "New Left."

And this was after only one mailing. Think of what could be accomplished if the population at large, or even a generous proportion of it, would be alerted to the methods, tactics and aims of the same old left and its grandchild, the "New Left." It is only by informing throngs of Americans that we can turn the tide.

Therefore, our most urgent and immediate imperative is to work tirelessly to inform as many people as we can reach. An aware public will not permit the slave traders to impose their "wave of the future" which is intended to be the graveyard of our civilization.

What are the foundations doing with their money ? Most of the giant foundations have been using their untaxed income for decades to undermine religion, western civilization, constitutional government and all concepts of individualism. Both the Carnegie and Rockefeller Foundations had been busy providing funds in educational fields. In fact, foundations (principally these two) provided the bulk of endowment money for institutions of higher learning in the first three decades of this century. Rene Wormser, the Reece commissions' attorney, reported that the evidence

obtained during the investigations "... leads one to the conclusion that there was, indeed, something in the nature of an actual conspiracy among certain leading educators in the United States to bring about Socialism through the use of our school systems ..."

The Carnegie Endowment for International Peace is the group which is unofficially planning for the United Nations (United States) to finance and fight a war against South Africa on some flimsy grounds of ending apartheid. The reason for our involvement will be billed as a liberation movement of some kind. If Americans are willing to become embroiled in another war for such an alleged reason, we deserve it. What the money crowd really wants in South Africa is the wealth, gold, industry and strategic importance of that country. The Carnegie Endowment for International Peace has also contributed funds to the National Service Secretariat, 1629 K Street, N. W., Washington, D.C. which is advocating national service in lieu of a draft for our perpetual wars. Other foundations which are actively promoting the coolie labor battalion concept of millions of American youth are the Ford, Alfred P. Sloane, Sage and others.

The president of Carnegie Endowment for International Peace is regarded by some Washington insiders as "the permanent unofficial Secretary of State." The Carnegie people also sponsored Gunner Myrdal, the Swedish Socialist who wrote *An American Dilemma*, which was used as the basis of the Supreme Court's desegregation case in 1954. This is one of the factors believed by many to have led to so much of the present chaos in our schools.

Other activities of the Carnegie Endowment include huge contributions to the Foreign Policy Association, a Socialist-oriented research group which distributes pan globalist one world propaganda.

Our invisible government, the Council on Foreign Relations, has also been lavishly supported by many of the well heeled funds including Carnegie, Ford and Rockefeller. The CFR members who have been put in strategic government spots for years have controlled American foreign policy for over three decades. This exclusive club of the master class include such characters as Robert Strange McNamara and McGeorge Bundy, President of the Ford Foundation, and a list of literally hundreds of others including ex-presidents.

While on the subject of Robert McNamara, we must ponder on the possibility that what happened to our military defenses under his secretaryship, may happen to our money under his presidency of the World Bank. McNamara also has other unusual interests. Gary Allen, in his article "Foundations, Swindle, Treason, and Dodge"[4] states that two prominent Washington members of a group known as the "Temple of Understanding" are Mr. and Mrs. Robert S. McNamara. The interesting aspect about The Temple group is that it is tied into the Lucius Trust of London, England which was formerly called the Lucifer Trust, a cult of devil worshippers. According to Mr. Allen's article, "the Temple of Understanding centers its 'mystical meetings' and the union of 'triads' in a room reserved for it at the Carnegie Endowment for International Peace located at the United Nations Plaza ..."

The Ford Foundation has been one of the most activist, anti-American of the foundation giants.

The Foundation holds huge blocks of Ford stock and receives these dividends (tax free) for use in the further dismantling of free enterprise and the planned phaseout of our nation. In an article appearing in the *Chicago Tribune*, March 22, 1970 (Section 1, page 24) under an article captioned "Subsidizing Violence and Subversion" it was revealed that "The Senate Internal Security Subcommittee has released testimony by Sgt. Robert J. Thomas of the Los Angeles police department ascribing violence or subversive activity to 49 Los Angeles area organizations with an interlocking directorate. Sgt. Thomas testified that most of these organizations receive funds from the federal government, the tax-exempt Ford Foundation or tax-exempt church groups."

Here is a partial list of how the Ford Foundation spends its untaxed dollars :

$ 175,000	To CORE (Congress of Racial Equality) July, 1967. U.S. Senator Tames O. Eastland (D. Miss.), Chairman of the U.S. Senate Internal Security Sub-committee reported on May 25, 1961: "From instigation and examination of the facts and records, there can be little doubt, in my judgment but that this group (CORE) is an arm of the Communist conspiracy. They are agents of worldwide Communism."
$ 160,000	May, 1968, to a group of militants headed by Rev. Milton Galamison who organized the New York school boycotts. According to the June 1, 1968, issue of *Human Events*, "Galamison has a long record of pro-Communist affiliations and was the keynote speaker at the founding convention of the party spawned W.E.B. DuBois Clubs." *Barron's*, October 28, 1968, issue had this to say regarding the Ford Foundation efforts in the New York school affair : "The experimental school districts financed by the Ford Foundation and supposedly community controlled are dominated by black power militants and, in fact, are staging grounds for mob rule."
$ 1,000,000	London School of Economics. Founded by Sidney Webb. Thousands of its graduates have been indoctrinated with a Marxist-Fabian economic philosophy.
$ 1,134,000	American Friends Service Committee. Sponsored meny Communist Front youth organizations such as World Youth Congress, Student Peace Service Committee, the American Student Union.
$15,000,000	Fund for the Republic. A far-left organization set up so that its funds could be redirected to the Center for the Study of Democratic Institutions. The center is one of the most influential of the statist groups. This lordly outfit is located in plush quarters in Santa Barbara, California, and is funded by many of the most subversive of the untaxed giants, such as Ford and Rockefeller. The Center has been used as a combination think tank and garbage disposal, where their dialogue may be rehashed in some 175 different publications which are circulated among decision makers. Leading editorial writers, clergymen, news columnists and others read these self-righteous mouthings and are greatly influenced by them. Robert M. Hutchins, of the Rockefeller endowed University of Chicago, is president of this group. One of the more "democratic institutions" to come out of the center recently occurred during August, 1967. It was here that the Conference for New Politics was launched which later had formal meetings in Chicago.
$ 640,000	National Students Association. A group of militant left-wing students who are responsible for much of the present campus disruption. In accepting a grant of $315,000 in 1968, President Edward Schwartz said that the money will be used to "generate quiet revolutions instead of ugly ones."[5] Schwartz did not specify what constituted a quiet revolution versus an ugly one.
$ 5,000,000	Urban Affairs Foundation of Los Angeles. This grant was given for the purpose of increasing the number of Negroes in Congress.

$ 2,400,000	Woodrow Wilson National Fellowship. Headed by Clinton Jenks, accused by the House Committee on un-American Activities as being Communist oriented.
$24,000,000 (Approx.)	The American Council of Learned Societies. An organization which researches the social sciences with a pro-Soviet bias.
$120,000,000	Non-Commercial Television. Some of this anti-individualist bias may be seen on the educational television networks.
$ 4,500,000	The Council on Foreign Relations. Ford's contribution to our invisible government.
$ 1,630,000 (Approx.)	Rand Corporation. An ultra-left "think tank" operation which docs research for government, business and foundations.
$44,500,000	Behavioral Sciences. Includes many questionable programs such as sex education and sensitivity training which are designed to alter or change human behavior and neutralize all opposition to planned change.
$234,083,307	Foreign Aid. This total includes grants to pro-Communist individuals as well as countries.
$ 4,950,000	Foreign Policy Association. Also supported by other foundation giants.
$ 230,000	Southern Christian Leadership Conference. Formerly headed by the late Martin L. King. Involved in many disruptive activities in the South.
$45,000	A. Philip Randolph Fund. Contributed funds to the March on Washington.
$ 100,000	National League of Women Voters. Left oriented group which studies and attempts to influence legislation.

Mayo. Ford has given contributions to the Mexican-American Youth Organization (MAYO) which has used funds to send members to Cuba for indoctrination and when returning, distribute pro-Castro propaganda in the Southwest. One of the members of this wild-eyed group, Jose Angel Gutierrez refers to Anglo-Americans as Gringos and blames them for all the troubles existing both south and north of the border. He believes that the cure for all problems is to "eliminate gringos by killing them." All this with the blessing and financial support of the Ford Foundation.

United Nations, Internationalist tax-free foundation money has found its way directly into the United Nations headquarters. The Dag Hammarskjold Library was built with a $6,200,000 grant from the Ford Foundation. The United Nations headquarters was built with a $65 million interest-free loan from the U. S. government, payable in annual installments until 1982. "John D. Rockefeller, Jr. contributed 58 million for the land and the City of New York contributed an estimated $26,500,000 for adopting the site."[6]

How much money is available to the right-wing organizations ? According to *News and Views* (April, 1968 issue) published by the Church League of America, a report made by Group Research was included giving the approximate dollar amounts given in 1965. The combined total of money received by the top eleven right-wing organizations was compared to that of the National Council of Churches. This was the result :

> Eleven combined right-wing organizations listed by Group Research for 1965 $ 15,221,100
> National Council of Churches Income for 1965 $19,447,516

This list is by no means complete, but its extension would be superfluous. The bias is clearly

indicated. There has not been an instance where a pro-American organization or one promoting an individualist, religious, constitutional point of view has received one cent from these foundations.

The few selected examples of untaxed money which has been poured into various anti-American activities have not included grants from such other foundations as the Rockefeller, Dillon, Overbrook and dozens of others.

A few of these donations are listed below :

NATIONAL SERVICE SECRETARIAT

$15,000 from Arthur Vinning Davis Foundation in 1968
30,000 from the Russell Sage Foundation
15,000 from the Alfred P. Sloan Foundation

COUNCIL ON FOREIGN RELATIONS
(in one year alone)

$51,000 from the Dillon Fund
15,000 from the Overbrook Foundation
10,000 from the Lehman Foundation
(The Rockefeller Foundations have been heavy contributors to the CFR for years.)

CENTRAL INTELLIGENCE AGENCY

Another source of subsidized subversion in the United States comes from the United States Central Intelligence Agency (CIA). *Washington Observer* disclosed in its May 15, 1968, issue that only the Congressional Watchdog Committee headed by Senator Richard Russel (D., Ga.) is aware of just how much money is annually funneled into this organization. It is also reported in *Washington Observer* that much of the money given to the CIA is hidden in other items and other federal agencies; so it is impossible to know the full extent of public support of these programs. *Washington Merry-Go-Round* revealed that the CIA had given the extremist left American Newspaper Guild approximately $1 million in a six year period. Organized labor was estimated to have received $100 million a year from this government hush-slush fund.

The same CIA funds are used in various nations which the left-extremists dislike. Angry denunciations have been rendered against the CIA from such diverse sources as Angola and Mozambique, where Portuguese officials charge that funds are used to stir rebellion. The CIA is exempt from audit and does not reveal how it spends its money (financed mainly by U.S. tax dollars), but also receives grants from foundations. Columnist Marquis Childs (*Washington Post*, May 20, 1964) stated that the "CIA's budget ran upwards of $4 billion annually." This outfit subsidizes political elections, black power groups, radical college organizations and it operates on an international scale. A more conservative estimate is that their income is $1 billion annually. However, even accepting the lower figure, it is a fantastic amount of money representing just that much less the taxpayers have to spend on purchases of their own choosing.

INSTITUTE OF PACIFIC RELATIONS

Between 1925 and 1950 the Rockefeller Foundation gave them nearly $2 million "to promote the well-being of mankind by contributing to the international understanding in the Pacific." The Senate

Internal Security Subcommittee in the early 1950's found that "the IPR has been considered by the American Communist Party and by Soviet officials as an instrument of Communist policy, propaganda and military intelligence."

Herbert Marcuse, Professor of Philosophy at the University of California at San Diego advocates the destruction of our civilization through the indulgence of sexual energy, both natural and perverse. This strange character was given grants to write his book *One Dimensional Man* by several foundations, including the Louis M. Rabinowitz Foundation and the Rockefeller Foundation.

AMERICAN FOREIGN SERVICE ASSOCIATION

The Donner Foundation financed a two-day conference in Washington, D.C., November 14 and 15, 1968, by the American Foreign Service Association. Such "headliners" as Adam Yarmolinsky, a key advisor during the Kennedy administration, and Joseph Esrey Johnson, formerly of the State Department officiated. Both these individuals favored military emasculation of the United States, and Johnson was one who cooperated with Alger Hiss in planning the United Nations. Such a conference invites outside manipulation of the State Department, by those who have large tax-free wallets with which to dispense their gratuities. Their political bias is also apparent.

Even with this thumbnail sketch of the activities of the giant foundations, it should be apparent that there is a serious discrepancy between the ability of a private citizen and a tax-favored group to dispose of his income. It should also be apparent that the existence of this financially favored elite did not happen by chance. Nor is their presence in our midst the blessing that its proponents would have us believe. The high impact of taxes has begun to enrage Americans to the point that the danger of a tax rebellion is becoming apparent even to the free-spending rulermen in Washington. As a result, they put on a much publicized show of considering legislation which would tax foundations and close loopholes. Actually there is no serious intention of ever taxing foundations since the so-called representatives of the people are mostly puppets who have been put there by the untaxed money of the insider elite. Even though the alleged humanitarian halo of the foundations is slipping badly, the legislation which has passed is a laughable mockery of tax reform. Everybody knows that foundations and labor unions are not supposed to influence legislation, but everybody knows that they do. A recent attempt to trim some of the power of foundations was introduced by Senator Paul Fannin (R. Ariz.). This bill would deny tax exemption to unions which use compulsory dues for political purposes. During the hearings of the Senate Finance Committee testimony was also received urging Congress to remove all tax privileges for any private organization using compulsory dues for any kind of political activity. These publicized "reform measures" are usually devices to trap the unwary citizen. The politician who introduces the measure becomes a hero. It gives the whole group the respectable aura of attempting to do something about the issue. It is always voted down, but few know who voted no. The bill languishes in committee or dies. The insiders who were directing the politicos gained their victory.

It is a well-known political fact of life that labor unions enjoy a distinct privilege in their financial structure. There is little, if any, auditing of their funds. There is also little, if any, supervision in the disbursement of those funds. Strikes are called and financed regardless of the welfare of the

workers involved. Often strikes which are long and costly result in political gains for the union but cost the individual workers heavily in terms of lost income. It has been estimated that the labor unions receive roughly $3 billion dollars income annually and about half of this amount comes from investments in business enterprises, capital gains, dividends, etc. For example, the United Mine Workers of America owns a controlling interest in the National Bank of Washington. This is one of the city's largest. It has been reported that the International Brotherhood of Electrical Workers has about $4 million invested in the Washington, D.C. area in such non-union activities as supermarkets, shopping plazas and garages.

In the words of English columnist, Anthony LeJeune, "the labor unions have acquired the status of feudal barons. Governments are afraid to touch them, no matter what the national interest requires."[7]

What is needed is not foundation tax reform, but the abolition of this baronial system of kingly exemption for the rulers—the abolition of our corrupt privately-owned money system, e.g., the Federal Reserve Bank and its sister in sin the 16th Amendment (the Income Tax Amendment) which has led the nation into its present quandry and quagmire of financial and related chaos.

We are now illegally under a world government setup ruled by a motley group of monetary cannibals within the United Nations and their allies in high government posts. We are already functioning under a world constitution wherein the vast majority of individuals who vote within the world government headquarters in the United Nations are appointed. There are still people who wonder why people with wealth and position would do such things. It is precisely those with money and power who would do such things. A poor man can't control much of his environment outside of perhaps a few individuals in his own household. But a wealthy man can control business contacts, employees, fraternal organizations, etc. As his power and prestige increases he is able to expand his control. This is precisely what the money manipulators have done for centuries. The money pool discovered centuries ago that almost nobody understood the nature and functions of money. It was this magic formula which enabled them to control currencies of nations, and from then on the path was easy. It is often possible to purchase politicians if the price is right—and for politicians the price is right if elections and power are assured. The manipulators operated from behind the scenes while their puppets sat on the throne, occupied presidential posts, or ranted from behind revolutionary beards.

It has long been the goal of these millionaire revolutionists to topple the American government (e. g., constitutional government). This has already been accomplished. Only the mop-up operations remain. This will be the revolution in the streets where their subsidized and indoctrinated lunatics will slaughter millions of innocent people and destroy every piece of property in sight. During the chaos and butchery the insiders will move into more overt positions of power. Some of their political puppets may be slaughtered in the interim, but they are expendable as they will have served their purpose. During the chaos and terror the faceless manipulators will emerge as the new rulers of the world to restore law and order—with total government tyranny the result.

It is significant that there has been very little of a serious investigative nature regarding foundations

since the Reece Committee of 1953 and 1954. At that time Mr. Edward C. Lindeman in his *Wealth and Culture*[8] said, “Taken as a group, that is, as a whole, the trustees of foundations wield a power in American life which is probably equalled only by the national government itself.” Since the publication of that book in 1936 we might add that in many instances, the foundations have taken over the programming, personnel selection and planning of many government departments. Woodrow Wilson once said “government is essentially naked power.” This is also certainly true of its powerful partners, the foundations and labor unions. Many ranking politicians have taken positions on three sides of an issue—for, against, or neutral, all within the same year, but before different audiences. It is quickly apparent that this grotesque situation will never benefit the public. Government has degenerated into a brawl with grasping nations and minorities demanding more and more of the proceeds from the central till (our pocketbooks), until there will be nothing left. This is the essential nature of a government and we can expect little more. Except for a few isolated instances, politicians regard government as a cue for plunder and self enhancement. They use the various rungs of the political ladder to increase their power and wealth and will usually make any deal necessary in order to achieve their ends.

The wretched sordidness of government at all levels will never be corrected until Americans cease to regard government as a sacred institution capable of solving problems. It can solve nothing. It merely creates them. This nation has already been sold out—only a facade remains. All this was accomplished by political prostitutes who sold America out for privilege, power and plunder. We are now moving into the final stage of this centuries-old plan for world domination. The same script has been repeated wherever seizure of power was obtained. The prize—the United States—is still not 100 per cent within their grasp, but with each new repressive measure passed by a supine Congress, their goal of total domination comes ever closer.

Will our enemies, the insider manipulators and their puppet legislative bodies succeed in throwing this great nation into the horrors of bloody revolution and total government control (Socialism),[9] It is up to the American people. If they do nothing but mutely accept the horrors which lie ahead, they have cast their vote. What is your decision ?

SUMMARY

1. Foundations are part and parcel of the Socialist plan to confiscate the legitimate earnings of citizens and transfer huge monetary monopoly to themselves through their devious tax dodges and devices.

2. While some foundations undoubtedly do some limited good, their existence is a subversive and sinister plot against wage earning and taxpaying Americans.

3. All foundations are created for the purpose of tax evasion and avoidance. Many of them are engaged in the conscious and planned subversion of western civilization and the deliberate alteration of human behavior and destruction of all human rights—including the right to be human.

4. Many foundations are not objective, philanthropic and often the recipients of their largess do so with strings attached.

5. Foundations represent a sinister and vast power structure which enables them to control or influence legislation and to even shape foreign policy.

6. Foundations are part of an international tie-in with similar groups throughout the world which seek to facilitate their attempted global control.

7. Millions of dollars are being used by foundations at the present time to finance and encourage militant and revolutionary activity which has as its goal the destruction of human freedom, individualism, constitutionally guaranteed civil rights and civilization itself.

8. Therefore, all tax exempt foundations should be legislatively outlawed.

1. Ferdinand Lundberg, *The Rich and the Super Rich*, New York, N.Y., Lyle Stuart, Inc., 1968. (While the author agrees with Mr. Lundberg's statistics, the conclusions, which call for more government, e.g. Socialism, are exactly the kind of "solution" the conspirators are seeking.)

2. "Money Made Mysterious," *American Mercury Magazine*, New York, N.Y., 1958.

3. Rene Wormser, *Foundations : Their Power and Influence*. New York, Devin-Adair Company, 1958, p. 96.

4. Gary Allen, "Foundations, Swindle, Treason, and Dodge," *American Opinion* (November, 1969).

5. *Human Events* (August 24, 1968).

6. *World Almanac and Book of Facts*, 1970 (New York: Newspaper Enterprise Association, Inc., 1970).

7. Editorial, *Chicago Tribune*, September 3, 1969.

8. *Wealth and Culture*, Edward Lindeman, New York, New York, Harcourt, Brace & Company, 1936.

9. Communism is an abstract concept wherein the withering of the state is envisioned at some future time when a totally noble and regenerated man will live in peace and harmony, always behaving better than our ancestors did in the Garden of Eden before the fall of man. Communism is the bait. Socialism is the true goal—total government. Remember, the Soviet Union *is not* a Communist nation. It is called the Union of Soviet Socialist Republics. Nazi Germany was a Socialist nation. The word "Nazi" is a contraction of the German words "National Socialism." Socialism is merely a method reviving the ancient worn out notion of the "divine right of kings" dressed up in different terminology for our century.

Chapter IX
THE INSIDERS

The higher immorality is a systematic feature of the American elite.
—C. Wright Mills

For several chapters we have been peering into the innermost workings of the kingmakers and their courtiers and have been given some insights into their privileged methods of controlling and keeping wealth. Yet the taxation and foundation story is only part of the facade of intrigue and subversion to which this nation has been subjected. The people who have been directing the ship of state are often names few people would recognize. The Establishment has been careful to conceal its true identity and instead hides behind foundations or occupies unelected (e.g., appointed) positions. The government as such is merely the facade through which their orders are funneled. They further confuse people by seeming to work at cross purposes. While financing the street revolutionists, their puppet president appoints a commission to study riots, crime, etc. The commissions never solve anything, nor were they intended to. They are merely time-consuming devices to keep the masses deluded into thinking that the government is trying to solve the problem. Most of the lower echelons of the government probably are unaware of the power structure at the top, but to retain their jobs, they merely carry out orders without question. To further complicate the already outrageously archaic and inefficient government structure, an independent survey found that over 95 per cent of those working for government were unfit for their jobs. This percentage probably does not apply to the insiders who are manipulating their world, because they certainly know what they are doing and have successfully carried out their programs with total stealth and finesse. Let us proceed to other facets of this gigantic hoax and briefly examine other less known methods of circumventing the tax collector and of wielding influence from behind the scenes.

One of the most commonly used gimmicks of the super rich is that of a corporation or family holding company. This device permits individuals within a family to enjoy the in come from securities while the direction of the various holdings remains with a single or a few members of the group. A holding company is a corporation which is organized to own or control stock of other corporations. Usually a dominant interest is maintained in the subsidiaries so that the control of policy is maintained through majority voting power.

There are literally thousands of personal and family holding companies, both large and small in the United States today. They make no public reports of their earnings or operations and they may have a long list of literally dozens of beneficiaries. The beneficiaries may range from individuals, to schools, charities, scholarship funds, etc. A few examples of family holding companies and the blocks of stock they control is listed as follows :

Falls Company owned by the Rosegarten family
Some of the securities owned :
United Gas Improvement Company
Duquesne Light
Philadelphia Electric

Mellon Securities Company owned by Richard Mellon and other members of family and various Mellon trusts
Some of the securities owned :
Alcoa
Gulf Oil

M.A. Hanna Company owned by the Hanna family
Some of the securities owned :
Phelps Dodge
Lehigh Coal & Navigation
National Steel

New Castle Corporation owned by Mr. and Mrs. Alfred P. Sloan
Some of the securities owned :
General Motors
Phillips Petroleum

It is the decision-making power which gives the directors an inside track in shaping corporate policy in those companies where substantial interests are held. These men also know of company plans, merger possibilities and other corporate decisions, and thus are in a position to take advantage of inside information for their own benefit.

Individual trust funds are also proliferating as a result of confiscatory tax structures. These trusts are usually administered by a bank. In some cases the banks control such large holdings in certain corporations that they are able to elect members to the boards of directors. To get an idea of the importance of this money, Ferdinand Lundberg in his *Rich and Super Rich* states, "At the end of 1964, trust departments of commercial banks had investment responsibilities for assets of approximately $150 billion ..."[1] The large trust accounts will usually be found in the large banks. For example, a New York bank would regard a trust fund of $500,000 as a small one.

It is relatively simple to realize that this concentrated wealth is organized and self-interested. Another advantage this gives the wealthy is that these activities are not subject to public supervision or regulation. They can be completely free wheeling in the realm of finance. AND REMEMBER, it is all tax free.

Here are some of the tax dodges used by the very wealthy :

1. The big New York banks turned over assets which had appreciated in value to their own foundations. The foundations then sold the assets and escaped a capital gains tax.

2. Many tax free foundations operate in competition with private enterprise which must pay full corporate taxes while the foundation company pays virtually none.

3. Some foundations have given money to universities to be used for "research" but the research was in reality done for their own benefit.

4. Many foundations buy property and lease it back to the company from which they purchased it. This allows the selling company to realize more cash flow without the necessity of borrowing money.

5. Often big foundations will lend money at very low interest rates to their favored companies.

6. Large foundations may hold huge blocks of stock, thus enabling them to manipulate management and management decisions.

7. Frequently top foundation personnel are placed in government spots, usually sensitive, policymaking positions.

Perhaps we should now take a look at the people who are steering our nation toward its planned ruin. We might start by reviewing the membership list of the Emergency Committee on American Trade. This group advocates the reduction of tariffs by the United States so that American markets will be flooded with cheap foreign-made products. This will enable the Insiders to control all trade through the United Nations, the International Monetary Fund and the United Nations Conference on Trade and Development. The following list of members of the Emergency Committee on American Trade was published in the Congressional Record, March 27, 1965 (p. S7868).

William M. Allen
President
Boeing Company

George W. Ball
Senior Partner
Lehman Brothers

Thomas J. Barlow
President
Anderson, Clayton & Co.

Lee S. Bickmore
President
National Biscuit Co.

James H. Binger
Chairman
Honeywell, Inc.

William Blackie
Chairman
Caterpillar Tractor Co.

Roy D. Chapin, Jr.
Chairman and CEO
American Motors Corp.

Henry Ford, II
Chairman
Ford Motor Co.

Richard L. Gelb
President
Bristol-Myers Co.

J. Peter Grace
President
W.R. Grace & Co.

Patrick E. Haggerty
Chairman
Texas Instruments, Inc.

R.V. Hansberger
President
Boise Cascade Corp.

Daniel J. Haughton
President
Lockheed Aircraft Corp.

H.J. Heinz, II
Chairman
H.J. Heinz Co.

Donald W. Douglas, Jr.
President
Douglas Aircraft Co., Inc.

T.C. Fogarty
Chairman of the Board
Continental Can Co., Inc.

Robert S. Ingersoll
Chairman
Bort-Warner Corp.

J.K. Jamieson
President
Standard Oil Co. (N.J.)

Donald M. Kendall
President and CEO
Pepsico, Inc.

John R. Kimberly
Chairman of the Board
Kimberly-Clark Corp.

Donald P. Kircher
President
The Singer Co.

Robert C. Kirkwood
Chairman and CEO
F.W. Woolworth Co.

Edwin H. Land
Chairman and President
Polaroid Corp.

Roger Lewis
President
General Dynamics Corp.

James A. Linen, III
President
Time, Inc.

David L. Luke, III
President and CEO
West Virginia Pulp and Paper Co.

William F. May
Chairman
American Can Co.

Thomas B. McCabe
Chairman
Scott Paper Co.

William A. Hewitt
Chairman
Deere & Co.

E.B. Hinman
President and CEO
International Paper Co.

David Packard
Chairman
Hewlett-Packard Co.

Daniel Peterkin, Jr.
President
Morton International, Inc.

Peter G. Peterson
President
Bell-Howell Co.

Rudolph A. Peterson
President
Bank of America, NT&SA

John J. Powers, Jr.
President
Charles Pfitzer & Co., Inc.

Robert W. Purcell
President
International Basic Economy Corp.

Charles C. Randolph
Publisher
Business Week

James M. Roche
Chairman of the Board
General Motors Corp.

Arthur Rock
Chairman
Scientific Data Systems, Inc.

David Rockefeller
President
Chase-Manhattan Bank NA

Robert D. Stuart, Jr.
President
Quaker Oats Co.

Charles E. Swanson
President
Encyclopedia Britannica

J.I. Miller
Chairman
Cummins Engine Co., Inc.

George S. Moore
Chairman
First National City Bank

Milton C. Mumford
Chairman
Lever Brothers Co.

James A. Newman
Executive Vice President
Booz, Allen & Hamilton, Inc.

A. Thomas Taylor
Chairman and President
International Packers, Ltd.

Charles B. Thorton
Chairman
Litton Industries, Inc.

Arthur K. Watson
Chairman of the Board
IBM World Trade Corp.

John M. Will
Chairman
American Export Isbrandtsen Lines

Josepf C. Wilson
Chairman
Xerox Corp.

A glance at the list of the ten largest banks makes interesting reading, especially when we note that three of the ten had representation on the Emergency Committee on American Trade : The First National City Bank, Bank of America and the Chase-Manhattan Bank, as well as the International Basic Economy Corporation, (the Rockefeller-Eaton combine).

THE TEN LARGEST BANKS IN THE UNITED STATES
Bank—Location (Deposits June 30, 1967 (000 Omitted)
Bank of America NT & SA, San Francisco....$18,201,670
Chase Manhattan Bank NA, New York..........14,392,642
First National City Bank, New York.........13,221,257
Manufacturers Hanover Trust Co., New York...6,983,009
Morgan Guaranty Trust Company, New York.....6,429,304
Chemical Bank New York Trust Co., New York..6,250,466
Bankers Trust Company, New York.............5,007,609
Continental Illinois National Bank & Trust Co., Chicago...4,975.594
Security First National Bank, Los Angeles...4,781,453
First National Bank, Chicago................4,416,118[2]

An example of big banking : Hanover Trust in New York City operates on a worldwide scale. There are almost 4,000 correspondent banks in the United States alone. On the international scene there are branches in Paris, Frankfurt, Rome, Tokyo, Mexico City and many other places. Its huge assets enable it to engage in very large commercial banking transactions.

Now let us take a look at some of the people involved in the banks and corporations and analyze their attitudes and ideas. David Rockefeller is Chairman of the Chase Manhattan Bank and James Stillman Rockefeller is Chairman of the First National City Bank of New York. When the prime lending rate was hiked in November, 1963, it was triggered by this combine of Rockefeller

interests. When these two banks acted, other banks throughout the nation followed suit. The assets of the Chase Manhattan Bank are about $16 billion dollars. They have 140 branch banks in the United States and 42 abroad. Assets of the First National City Bank are about $15 billion and they have 164 local branches and 195 overseas offices in 60 countries. Because of the huge assets in their far-flung banking empire, they are able to exercise a great deal of financial control over hundreds of smaller banks, both within the United States and abroad. Economists have estimated that the Rockefeller family exercises control of over $200 billion in resources.

American banks have had branches in larger cities for many years, but it wasn't until the advent of John F. Kennedy that a full-scale banking invasion of Europe occurred. It was this same internationalist Kennedy who was so anxious to lower tariff barriers that he pushed the so-called Kennedy round through, thus giving his millionaire friends in selected companies the inside track on establishing branches in various areas of the world.

International Basic Economy Corporation. Organized by Nelson Rockefeller in 1947 and merged with the pro-Soviet millionaire Cyrus Eaton, Jr.'s Tower Corporation in 1967. This combine is busy "building bridges," using money from the United Nations Banking Complex to further their financial interests on both sides of the Iron Curtain. This company is listed on the over-the-counter stock market and sells around $10.00 per share (January 1971). According to Standard and Poor, this company is controlled by the Rockefeller family. This combine is also considering establishing a mutual fund. Prior to their merger, the Tower International, Inc. had been appointed purchasing agent by the Communist Hungarian government to purchase United States pharmaceuticals (no doubt through loans obtained from the United Nations Banking Complex) for resale or reshipment to North Vietnam.

Lehman Brothers. Lehman is one of the larger New York international banking interests, listed technically in *Poor's Register of Corporations, Directors and Executives, 1969*, as an "investment company." One of the most noteworthy international investments made by this firm was the giving of financial assistance to help finance the Russian Revolution. George Ball, formerly Under Secretary of State, is one of Lehman's protegees. He and his boss, former Secretary of State Dean Rusk, implemented the policy of removing restrictions on the sale of military hardware to Communist nations by countries which were receiving United States aid. George Ball is a CFR member and also belongs to Clarence Streit's Atlantic Union, which advocates a political merger of Western Europe and the United States as a major step towards world government.

LEHMAN CORPORATION
1 S. William St., New York, N.Y, 10004
Tel. 212-269-3964

*Chrm.—Robert Lehman
*Chrm. Exec. Comm. & Vice-Chrm. Bd—Monroe C. Gutman
*Pres.—Alvin W. Pearson
*Exec. V-P—James K. Hart

V-P—James B. Downing
V-P—Robert H. Buckles
V-P—James B. Howard
V-P—Arthur Bannister
V-P—Albert C. Barkwill
V-P—Lawrence W. Schmidt
Secy & Treas.—W.L. Williams
Accts—Price Waterhouse & Co., NYC
* Also Directors—other Directors are :
Robert A. Bernhard
Ernest R. Breech, 12723 Telegraph Rd., Detroit
Howard L. Clark, Amer. Express Co., 65 Broadway, NYC
Lucius D. Clay
Paul L. Davies
Frederick L. Ehrman
Clarence Francis, 250 Park Ave., NYC
James M. Hester, NYU, 40 Washington Sq., NYC
James R. Kerr, 750 Third Ave., NYC
Donald P. Kircher, Singer Co., 30 Rockefeller Plaza, NYC
Paul M. Mazur
Alexander N. McFarlane, Corn Products Co., 717 Fifth Ave., NYC
John W. Reavis, Jones, Day, Cockley & Reavis, Union Commerce Bldg., Cleveland
F. Riter Shumway, 1100 Midtown Tower, Rochester, N.Y.
Frazar B. Wilde, Conn. General Life Ins. Co., Hartford, Conn.
PRINCIPAL BUSINESS : Investment co.[3]

IBM. This corporate giant has long been one of the leading bridgebuilding advocates on the industrial spectrum. Arthur K. Watson, former Chairman of the Board, was a member of the Emergency Committee on American Trade which advocated the gradual elimination of any tariff protection for American industry. He has since been promoted to the post of Ambassador to France where he and Rothschild agent, Georges Pompidou, can make further arrangements for the economic and political merger of the two continents.[4] One of the most vocal opponents to this funding of the enemy was made by Young Americans for Freedom who conducted protests against IBM for their continued sale of sensitive electronic gear to Communist countries.

Goldman, Sachs & Company. Another international banker which poured millions of dollars into the Russian Revolution. A list of the general partners is included below.

GOLDMAN, SACHS & CO.
55 Broad St., New York, N.Y. 10005
Tel. 212-944-2300

General Partners :	General Partners :
Sidney J. Weinberg	Richard J. Fay
Gustave L. Levy	H. Frederick Krimendahl II
Walter F. Blaine	John H. Rhoades
James C. Hamphill	George E. Doty
135 S. LaSalle St. Chicago 3	Donald R. Gant
Edward A. Schrader	James P. Gorter
Stanley R. Miller	135 S. LaSalle St. Chicago
John L. Weinberg	Peter A. Hager
John C. Whitehead	Lewis S. Kaufman
Charles E. Saltzman	James S. Marcus
Howard R. Young	Alan L. Stein
Arthur G. Altschul	J. Fred Weintz, Jr.
John W. Callaghan	Robert B. Menschel
Charles L. Grannon	Robert E. Mnuchin
James D. Robertson	Richard P. Oakley
L. Jay Tenenbaum	Sidney J. Weinberg, Jr.
Robert S. Danforth	Lewis M. Weston
	Robert G. Wilson[5]

Sidney Weinberg was one of the most powerful men in the United States until his death in 1969. He succeeded Bernard Baruch as economic advisor to various presidents. But despite his unseen power he is virtually unknown to the vast majority of Americans. His residence was 781 Fifth Avenue, New York City. He has been called by some the virtual president of the United States, but despite this vast power he was not listed in the latest *Who's Who* or the *World Who's Who in Commerce and Industry* or *Who's Who in American Jewery*. Why ? Especially when he occupied such a powerful, policy-making position. Weinberg was an important cog in the invisible government setup which is moving this nation closer and closer to world tyranny, or to use their terms, world government. Weinberg was a director of the CFR and member of the Business Advisory Council. Sidney Weinberg was reported to have said during the Korean War. "We were running the Defense Mobilization during the Korean War. We had the economy of the country in our hands."

KUHN, LOEB & CO.
49 Wall St., New York, N.Y. 10005
Tel. 212-797-2100

General Partners :	David T. Schiff
John M. Schiff	Sidney J. Sauerhaft
Frederick M. Warburg	Joseph F. Schwartz
Kenneth N. Hall	Mark C. Feer
Henry Necarsulmer	Edgar R. Koerner
David T. Miralia	John Barry Ryan, III
Morris H. Wright	Thomas A. Kenny
Alvin E. Friedman	**Limited Partners** :
John S. Guest	Gilbert W. Kahn
Jerome S. Katzin	Benjamin J. Buttenwieser
Thomas E. Dewey, Jr.	Hugh Knowlton
Harvey M. Krueger	Percy M. Stewart
Anthony M. Lund	Robert F. Brown
William H. Todd	J. Emerson Thors
Yves-André Istel	Charles J. Ely
John K. Libby	H. Spotswood White
James H. Manges	**Business** : Investment bankers S.I.C. 6211[6]

Kuhn, Loeb & Company was also one of the international banking firms which gave monetary assistance to the Russian Revolution. These three banking firms were mentioned in the *Overman Report* of the United States Congress linking them to the "New York financial interests" which poured millions of dollars into the Russian Revolution.[7]

The Schiff and Warburg family are members of this firm. The activities of the elder Schiffs and Warburgs have been reviewed in connection with the establishment of the Federal Reserve Bank. It was James Warburg who said before the United States Senate in February, 1950, that "We shall have World Government whether or not we like it. The only question is whether World Government will be achieved by conquest or consent." Also in a speech before Congress by Congressman Louis McFadden on January 13, 1932 (*Congressional Record*, Jan. 13, 1932, H1924) he called the banking monopolists "a gang of financial looters." Mr. McFadden also pointed out that "The World War cost us between forty billions and fifty billions of dollars. In addition to that add to it $40,000,000,000 worth of foreign securities held in this country which took that amount of money out of the country." He further noted that "money had been drained wholesale out of the United States for the purpose of financing Russia by means of loans through German financiers." The entire speech is recorded in the *Congressional Record* of that date which may be obtained at any large public library.

Another source of information concerning the presence of American money in Communist Russia was made by a U.S. Ambassador to German, James W. Gerard. In speaking of aid during World War I, he stated on September 18, 1931, that "a large percentage of the loans from the United States (to Germany) was sent to Russia."

Other Millionaire Socialists in Government : According to the *Washington Observer*, March 15, 1968,

"Nelson Rockefeller, over the years, has planted at least 5,000 henchmen in the Federal Government—even down to middle level Civil Service employees." Some of the Rockefeller appointments are as follows :

> Dean Rusk—Appointed Secretary of State by President Kennedy on Rockefeller's recommendation
> Other Kennedy appointments made at Rockefeller's request :
> Chester Bowles, Under Secretary of State, Director of the Rockefeller Foundation and CFR member
> John J. McCloy, Chairman of the Board, Chase Manhattan Bank, appointed as U.S. Director of the Disarmament Commission
> Alexander B. Trowbridge, Standard Oil executive, appointed as Assistant Secretary of Commerce for Domestic and International Business
> Roswell Gilpatrick, Trustee, Rockefeller Brothers Fund, appointed Deputy Secretary of Defense
> Herbert Brownell, appointed by Eisenhower as Attorney General (a Rockefeller protegee). Because of his position, Brownell was able to appoint hundreds of federal judges, district attorneys and U.S. Marshalls.

Nelson Rockefeller occupied the posts of Director of Inter-American Affairs and Assistant Secretary of State during the Roosevelt and Truman administrations. During his tenure he was also able to get hundreds of his men into various positions via the appointment route.

Another power which the Rockefeller money enjoys is that of dictating the appointment of key posts in the Republican Party by using threats of withdrawing the huge Rockefeller support from the party till.

The Rockefeller interests are so very carefully shielded from public knowledge by the State Department that little information is revealed on the multi-billion dollar deals in which this International Basic Economy Corporation is engaged. William Armour McFadden, Deputy Director of the State Department's Office of East-West Trade told a *Washington Observer* reporter (August 15, 1967 issue) that "all information relating to the business transactions of Rockefellers and Eaton with the Soviets and their captive nations of East Europe was strictly confidential." The Rock-Eaton combine are obviously supplying equipment, strategic materials and technical know-how in building big industrial complexes in exchange for the monopoly of selling their products from satellite countries in the United States and other markets. An example of one of their enterprises is the construction of a huge plate glass factory in Rumania. This will enable them to obtain the glass at prices which will far undersell those of American companies which have huge labor costs to meet. Among other activities of the Rock-Eaton axis is to sell poultry and food produced on Bulgarian collective farms with virtual slave labor. They are now trying to corner the market in Europe from West Germany and the United States. This firm operates in 60 nations, including the United States, and is aiming for world monopoly (the true goal of all Socialists). Competition is unthinkable to the absolute ruler, and our present Fabian feudalists are no exception.

Our present Secretary of State, William P. Rogers, a "Rockefeller man," recently said to the Senate Foreign Relations Committee, "We are not seeking a military victory nor do we want military

escalation in Viet Nam." We, the taxpayers, should ask, what are they seeking ? Huge air fields have been constructed (but not for American bombers). Pipe lines have been installed, roads are being constructed, industrial activity is booming. It has been reliably reported that over 80 per cent of the soldiers are in "pacification duties." Can anyone imagine that this outlandish situation in Viet Nam is in the interests of the American people or nation ? We know that there are Standard Oil (Rockefeller) refineries in both Viet Nam and Thailand. Why don't we bomb Haiphong harbor ? According to an Alan-Scot Report, 274 Standard Oil ships are known to have sailed into the Haiphong harbor with war materials in just one year alone (1969). Other supplies are brought in on ships flying dozens of diverse flags which carry supplies for our "enemies" which are used to slaughter American soldiers while further enriching the already overly rich millionaire set.

Another Rockefeller man is Ambassador Henry Cabot Lodge, III. He has occupied various diplomatic posts including that of Ambassador to South Viet Nam. Until his recent resignation, he was engaged in the farce called "peace talks" in Paris which is a sham show put on for the benefit of the gullible public. It is merely a means to keep the war going while pretending to find a basis for peace. Inasmuch as the sovereignty of the United States has now officially (and illegally) been turned over to the United Nations, it is this halfwit organization which will continue giving orders and directing our foreign policy that is until enough Americans become aware of what has happened and descend on the criminals in government with warlike fury. We will not get out of Viet Nam, or any other embroilment, until it suits the financial interests of those who put us there in the first place.

As early as 1952 President Eisenhower sent 500 "advisors" to Viet Nam. Some inside political observers believe that Eisenhower agreed to these terms in exchange for the theft of the Republican nomination in 1952 from Taft.[8]

In the United States the Establishment is represented by the Council on Foreign Relations. On the international scene the Establishment is represented by the powerful financial banking houses who have set up various local organizations to enable them to gain control of the politics and governments of various nations. Both major political parties have long been controlled by this banker elite and in reality represent a money dictatorship.

Lest anyone doubt that the CFR Establishment isn't running this nation, let us take a look at the type of men Mr. Nixon has appointed to various posts since his election. We must also remember that Richard Nixon had received staggering legal fees from the Rockefeller firm, Mudge, Rose, Guthrie, Alexander & Mitchell before his address was changed to the White House. Among some of his CFR appointments are the following :

Henry A. Kissinger, Chief Foreign Policy Advisor
Henry Cabot Lodge, Chief Negotiator in Paris (since resigned)
Charles Yost, Ambassador to the United Nations
Arthur Burns, Economic and Financial Advisor (since moved to the top spot on the Federal Reserve Bank Board of Governors)

George Ball, Foreign Policy consultant to State Department.
Dr. Paul MeCracken, Chief Economic Aide
Ellsworth Bunker, U.S. Ambassador to Saigon
Dr. Glen T. Seaborg, Chairman of the Atomic Energy Commission
Joseph J. Sisco, Assistant Secretary of State for the Middle East and South Asia
Gerard Smith, Director of the Arms Control and Disarmament Commission
Jacob Beam, Ambassador to Russia

The internationalist goals of big money are advocated by all these insiders. It is clear that the policies being followed by such dedicated one worlders are not in the best interests of our nation. It also appears that our government is a threat to the safety and well being of every citizen as these policies to merge our country into a super government move closer to reality. On January 21. 1969, pro-American Liberty Lobby, 300 Independence Avenue, S.E., Washington, D.C. 20003, presented information before the Senate Committee on Foreign Relations regarding the background of Mr. Yost. He had compiled a record of associations with Communists over the years, including such infamous characters as Alger Hiss. This testimony so incensed Senator Fullbright that he threatened to bar Liberty Lobby from ever appearing before the Committee again. According to Liberty Lobby reports, the normal procedure of printing testimony was disregarded, and this testimony was not printed.

Another Establishment man in Nixon's administration is Lewis L. Strauss, former senior partner of Kuhn, Loeb & Company. Adm. Strauss was an active Nixon supporter in the last election and was reported to have raised a great deal of money for him. *Washington Observer*, April 15, 1969, issue has this to say regarding the Admiral : "Louis Strauss is going to have a big hand in what happens in the Nixon administration, but he himself will not appear in the picture." This statement was reported to have been made by a former Strauss aide.

Arthur Burns—*The New York Times* referred to Mr. Burns as the "Deputy President." He has been an advisor to Nixon for many years and after his elevation to the presidency, Mr. Nixon created a job for Mr. Burns. He was "Counsellor to the President," a position with cabinet status but which does not require senatorial confirmation. Burns had been a trustee of the Twentieth Century Fund which has a long record of left-leaning activities. Arthur Burns was born in Stanislau, Austria in 1904. His occupation is listed in *Who's Who* as "economist and educator." Residence : 2 Tudor City Place, New York City. Office : 261 Madison Avenue. Mr. Burns is a CFR member and also a Zionist. The April 21, 1969, issue of *U.S. News and World Report* had this to say : "Burns takes part in almost every decision the President makes." Here is another example of the unelected who elect to rule. Mr. Burns is also a trustee of the Mutual Life Insurance Company and a director of Nationwide Securities Company and Dividend Shares.

Adam Yarmolinsky—This man has been active in pro-internationalist activities for years, both in and out of government. He was formerly associated with Ford's Fund for the Republic (the group which financed the pro-one world government group in Santa Barbara, California. The Center for the Study of Democratic Institutions). Yarmolinsky has long favored United States military

phaseout (e.g., U.S. disarmament) and these treacherous policies were adopted by the Kennedy-McNamara team. As a result, the United States is now disarmed and vulnerable to nuclear attack. In fact, Yarmolinsky was the one who suggested the appointment of Robert Strange McNamara for the post of Secretary of Defense and George Ball as the Under Secretary of State to Kennedy.[9] One might say that it is all in the family. According to Gary Allen's article, "New Leaders" in the October, 1969, issue of *American Opinion*, Yarmolinsky is a former member of the Young Communist League. George Ball's law firm, Cleary, Gottlieb, Steen and Ball are engaged in international finance and have offices in Washington, D.C., New York, Paris and other international centers. They also have close ties with Lehman Brothers, where Ball is a senior partner. During the Katanga War in the Congo, the Lio-Lamco Complex syndicate, which included United States and United Nations personnel, including Melvin C. Steen and Fowler Hamilton of George Ball's law firm, made a great deal of money.[10]

Let us look at some additional bloody red hearts who have been running this nation for years. Henry Cabot Lodge, a Harvard alumnus and internationalist, has been associated with *Life, Time* and *Fortune* as general consultant. He also became the director-general of the Atlantic Institute, a socialist-oriented outfit which wants to integrate the economic policies of the United States with Canada and Western Europe. Lodge was a primary force in the "draft Eisenhower" movement in the 1952 presidential campaign and has served as Ambassador to the United Nations as well as South Viet Nam. His ambassadorial services to South Viet Nam have proved to be an echo of Establishment cacophony and helped neither the people of Viet Nam nor the people of the United States. He continued the same mode of conduct at the diplomatic fiasco in Paris dubbed by the kept press as the "Paris Peace Talks." In 1959 when Nikita Kruschev toured the United States and continually promised to bury us, Lodge and Eisenhower stood by his side grinning their apparent approval of our eventual, national demise. Lodge is also a CFR member.

Jacob Dynley Beam, former United States Ambassador to the Soviet Union. Mr. Nixon and Beam consider that our primary aim in foreign policy is to negotiate with the Soviets. Beam has worked in various capacities in the State Department since 1934. "In Berlin he was on the staff of Ambassador William E. Dodd, the last U.S. Ambassador to Nazi Germany. The Ambassador's daughter Martha occupied her time in Berlin as a Soviet agent."[11] Another "American" Soviet espionage courier, Howard Trivers, was in the Embassy at the same time. When Beam later took the job as Chief of the Division of Central European Affairs for the State Department, Trivers became his assistant. Beam served as Ambassador to Yugoslavia, was Acting Head of the United States Embassy in Moscow in 1953 and then became United States Ambassador to Poland. He occupied this post from 1957 to 1961. He was then appointed Assistant Director to the Arms Control and Disarmament Agency where he remained until 1966. As a further reward for his unswerving loyalty to the world government group, he was sent to Czechoslovakia as Ambassador until his appointment to the post of Ambassador to Moscow—a highly sensitive post.

Ellsworth Bunker—A non-resident member of CFR. He graduated from Yale in 1916 and was associated with National Sugar Refining Company until 1961. He then served in various

ambassadorial posts including Italy, India, Nepal, Organization of American States and South Viet Nam. Wherever he served as ambassador, a rise in anti-American sentiment seemed to occur. He also assisted in the sellout of West New Guinea to Communist Sukarno of Indonesia. He has a long line of left wing associations, including membership in such groups as the Institute for International Social Research, Education in World Affairs, Experiment in International Living and the Atlantic Union (which is working for a merger of the United States and Western Europe as a definitive step toward One World Government).

George Ball—Non-resident member of CFR. He graduated from Northwestern University in 1930, receiving a B.A. and his law degree in 1933 from Northwestern University Law School. He served both in government and private practice of law until 1942 when he became associate general counsel of the Lend Lease Administration. (This was later updated into the Foreign Economic Administration.) During 1944 and 1945 he was named the director of the United States Strategic Bombing Survey in London and the following two years found him the general counsel of the French Supply Council which was located in Washington, D.C.

In 1946 Ball became a member of the law firm Cleary, Gottlieb, Steen & Ball, where he remained until 1961. This firm represented several European interests, including the European coal and steel interests and the European Common Market. During his association with these interests, he also acted as a registered lobbyist for them. President Kennedy appointed George Ball to the important post of Under Secretary for Economic Affairs in the State Department where he remained until 1966. He then became the chairman of Lehman Brothers International. George Ball advocates trade with Communist nations and a one-world government. He also favored the muzzling of the military so that no mention of Communist infiltration could be mentioned. He is also a member of Clarence Streit's Atlantic Union.

James Farmer—Although he didn't support Nixon's candidacy, he was appointed Assistant Secretary of Health, Education and Welfare by President Nixon. Farmer received his B.S. from Wiley College in 1938 and a Bachelor of Divinity degree from Howard University in 1941. He never became an ordained minister because he said the church was segregated. He has been a militant since his early youth and helped organize CORE (Congress of Racial Equality) in 1942. He was also associated with the Fellowship of Reconciliation and the League for Industrial Democracy. He has organized many demonstrations and advocates the idea that black power may be obtained by organizing Negroes into political blocks. He has also been a member of such other radical and left-leaning groups as the Americans for Democratic Action and the American Civil Liberties Union. Among his close friends are such dubious characters and agitator types as Victor and the late Walter Reuther, Bayard Rustin, James Forman and the late Martin L. King, Jr.

William P. Rogers—Secretary of State. Mr. Rogers graduated from Colgate University in 1934 and received his L.L.B. from Cornell Law School in 1937. At that time he took a job in the New York District Attorney's office. In 1947 he became counsel to the Senate's Special Committee to Investigate National Defense Program. After the Eisenhower victory in 1952. Rogers was appointed Deputy Attorney General, which made him the chief liaison officer between the

Department of Justice and Congress. During the McCarthy hearings, Rogers harassed Senator McCarthy at every turn. Secretary Rogers appointed George Ball as a special consultant and had a diplomatic passport issued for him. Rogers is considered a member of the “Eastern Establishment.” Secretary of State Rogers’ remarkable statement regarding his high post may be summed up in his own words : “The only thing a Cabinet officer should have in mind is the success of the administration.”

Henry A. Kissinger—Assistant for National Security Affairs. He succeeded Walter Rostow as Presidential Advisor. Home : 419 Beacon Street, Boston. Office : 6 Divinity Avenue, Cambridge, Massachusetts. A CFR member and ardent internationalist. Kissinger was born in Germany in 1923 and became a naturalized citizen in 1948. He has been a director for the special studies project of Rockefeller Brothers Fund, Inc. from 1956 to 1958. He was also a member of the Arms Control and Disarmament Agency in 1961. Kissinger advocates a continuation of our present “limited war” in Viet Nam. He also wants the United States completely disarmed (but not the Soviets). His foreign policy calls for the continuation of no-win wars and military and financial dismemberment of this nation while the Soviet Union builds its military might. He attended one of the Pugwash Conferences. (Pugwash was the name of Cyrus Eaton’s home in Nova Scotia where pro-Soviet clique gathered to plan their “bridge building” (empire building). Kissinger attended the Seventh Conference on Science and World Affairs. The plan of this group is to merge the United States and U.S.S.R. into a world police force. In March, 1964, Kissinger attended a secret Bilderberger meeting held in Williamsburg, Virginia. This group is planning the future of the world-in secret. This super-secretive group first met at the Bilderberg Hotel in Oosterbeek, Austria, from which they took the name.

It should by now be apparent that the millionaire elite and their banker backers have been in total control of the government for over fifty years. Through wealth, power and conniving they have extended their control over most of the nations of the world through various governmental agencies, aid programs, treaties, the United Nations banking complex, military programs, etc. After World War II the Insiders realized that the time was ripe for exploiting the idea of peace to put over their package deal of total global exploitation by presenting the idea of an organization dedicated to keeping peace. They called it the United Nations and the kept press ballyhooed it as the only solution to continual conflict and nuclear annihilation. The internationalists could work more conveniently in channeling the assets of the world under one political umbrella. Although the United Nations was represented as a treaty, it in reality constituted a constitution for a world government. One need not be a Philadelphia lawyer to know that it is entirely unconstitutional, illegal, and treasonous. Yet every president since its establishment has fawned over and favored this grotesque caricature of an organization. All our presidents since Wilson have been dedicated internationalists and would never have occupied that exalted post if they had not been considered “reliable” by the hidden monetary hands who put them there.

In this brief review of the personalities who have (mis)represented our nation for years, we can see how devotedly these people have worked for the ideas expressed in the format of the Unted

Nations charter. They have turned their back on this nation, its citizens and civilized morality in exchange for a monopoly on privilege, plunder and power. Their goal of one world, ruled by a tightly knit group of one government elite is becoming more of a grim reality with the passing of each year. At first blush one wonders why these millionaire totalitarians who express such grave concern for the destiny of mankind can turn their backs on millions who have been mercilessly slaughtered by their political pals during the establishment of the "wave of the future" regimes wherever they exist. These are the same "kindly" souls who tell us they want to increase our economic well being by raising taxes and eroding the value of our money, who keep peace by making wars, who offer us security by stripping us of our military defenses, who want to create Fabian feudalist style "utopia" on earth by enforced servitude and the exclusion of all civilized freedoms.

Can anyone doubt that those in "our" government are administering it for their own benefit. It is a conspiratorial government because they dare not reveal to the public what they are doing. The one-world concept is at the heart of the conspiracy of this arrogant, criminal money mafia who have selected themselves as the anointed supermen who will rule the destinies of all the inhabitants on earth. National, state and local governments have totally abandoned any idea of representing the American people and have completely capitulated to the money mob. The average decent American is not only surrounded by enemies on every continent, but his own government is responsible for putting us in our present balance of terror. These "representatives," whether national, state, local or appointed, have become so degenerately corrupt that they should be regarded by all sane men as the most dangerous and predatory threat on earth today.

In 1962 the American Legion of California investigated the CFR and declared it to be subversive. This same CFR has been called our invisible government by many informed observers. We have reviewed the philosophy and political activities of a few of the high ranking officials who are in charge of policy making and the disbursement of billions of dollars of citizen confiscated money. Most of these individuals are CFR members or sympathetic to CFR aims and purposes.

What now ? Remember again the wise words of George Washington who said, "Government is not eloquence, it is not reason. Like fire, it is a dangerous servant and a fearful master." The national government in Washington has become a dangerous and fearful master of the people it was intended to serve. It has become the servant and cringing tool of the international money interests which are now its master. We must start to dismantle this imperial Leviathan by organizing citizen groups in every community. We must rid ourselves of this totalitarian monolith by whatever means possible. If those we elect to represent us fail to do so, they must be ousted. I am not advocating the overthrow of government. This has already been accomplished through illegal legislation and unconstitutional usurpation of power. I am advocating the restoration of the government, the constitutional republic, which is what our wise forefathers established.

Let us heed the words of Woodrow Wilson who stated before he became president : "The history of liberty is the history of the limitation of governmental power." And he also observed, "When you resist the concentration of governmental power, you are resisting the process of death; because

a concentration of governmental power is what always precedes the death of human liberty."

The time to start is now. If we wait until tomorrow, our right to resist will have been as effectively removed as it now is in all the other nations which have been visited by the demonic specter of totalitarianism—the total domination of millions of people by the self-annointed few.

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1. Ferdinand Lundberg, *The Rich and the Super Rich* (New York: Lyle Stuart, Inc.), p. 198.

2. *Poor's Register of Corporations, Directors & Executives*, 1968 Edition.

3. *Poor's Register of Corporations, Directors and Executives*, 1969 Edition.

4. Georges Pompidou joined the staff of M.M. Rothschild Brothers in 1954 and rose to the position of Director, serving in that capacity from 1956 to 1962.

5. Poor's Register of Corporations, Directors and Executives. 1969.

6. *Poor's Register of Corporations, Directors and Executives*, 1969.

7. *Brewing and Liquor Interests and German and Bolshevik Propaganda*, Senate Document No. 62, 66th Congress, 1919. Report and Hearings of the Subcommittee on the Judiciary, U.S. Senate.

8. "From Woodrow Wilson to and including President Kennedy, practically every Presidential candidate came from the Establishment. Since 1932 the only non-Establishment man in the White House was Harry Truman." Wickliffe B. Vennard, Sr., *Conquest or Consent* (Boston, Massachusetts: Forum Publishing Company, 1965), p. 95.

9. *American Opinion* (October, 1969).

10. *Liberty Lowdown* (November, 1968).

11. *Herald of Freedom* (February 9, 7968), Zarepath, N.J.

Chapter X
WHERE DO WE GO FROM HERE ?

Woe unto them that call evil good, and good evil;
that put darkness for light, and light for darkness.
—Isaiah 5:20

In the past few chapters we have briefly reviewed some of the horrors which the luciferian conspirators have inflicted on our nation, our money and our humane heritage. We are beset on all sides by the crumbling social structures of civilization and their replacement by a sinister, alien concept of life. It is from the evil and cunning minds of these arch criminals who have occupied high places for generations, that we now see the kind of world shaping up which is being planned for us. Education is in a state of chaos. Inflation and taxes are eroding the lifetime savings of millions. Crime is mounting everywhere. Endless legislative betrayals continue unabated. Perpetual wars rage so that the "new world order" may be established. All of our present-day woes have been meticulously planned and executed with the cunning of a congregation of demons. The total indebtedness of governments, national, state and local, amounts to almost fifty per cent of the earnings of the wage earner. "The public debt is now one trillion, six hundred seventy-five billion dollars, or $8,210 for each and every American."[1] It is becoming more and more apparent that this monumental amount cannot be repaid—nor was it intended to be paid. The counterfeiters who manipulate our money have a better plan. They will simply declare that the bankruptcy of the nation authorizes them to seize the property of the people in lieu of payment. This will then give banker-boy Marx's platform for the abolition of private property its golden moment. The property formerly owned by the people who earned it through their labor and initiative will have it confiscated (nationalized) and title transferred to the money mob and their conspiratorial ally, the government.

Our future prospects are bleak indeed unless this downward thrust toward chaos and tyranny is stopped. But before any steps can be taken for the restoration of a sane and civilized society, it will be necessary to reorient our attitudes and values. The tyrannists have been twisting our thinking for so long that we now mindlessly accept their totalitarian and anti-intellectual pronouncements. Through the use of semantics and tortured terminology, a guilt complex has been created within the productive group, while greedy demands and burning hatreds are nurtured within other groups. The sins of the money mob are blamed on the producers of the wealth, both individual and corporate. The contrived wars, chaos and money manipulation which results in recessions, business slumps and unemployment are the result of the control of the world's wealth through the private issuance of money. This crazy situation will continue unabated unless outraged and informed Americans resurrect the Spirit of 1776 and rise up against the traitors who are legislating the death of this nation.

Old ideas die hard, especially when the process of thinking has been all but destroyed and replaced by Pavlovian conditioning. If we are to counteract the effects of our manipulated mentalities and misinformation, it will be necessary to a) identify the enemy, b) understand the nature and function of money, and c) know the Constitution and other laws which have been enacted to protect the citizen and his rights.

Know the Constitution. It is not obsolete—*and it has not been legally amended or repealed*. It has been usurped and replaced by illegal legislation. Only those who would rule without restraint wish to demolish the protections for citizens established in the Constitution. Remember, all legislation must be based on the supreme law of the land. Any legislator who refuses to obey the law of the land must be removed from office. Government employees who refuse to abide by the Constitution have violated their oath of office. This not only includes the president, but senators, congressmen and hundreds of other categories of government personnel. These people are our servants—not our masters. Art. II, Sec 4 of the Constitution provides that :

> The President, Vice President **and all civil officers of the United States** shall be removed from office on impeachment for, and conviction of, **treason, bribery, or other high crimes and misdemeanors**. (emphasis added).

The use of this section alone would virtually empty not only Congress, but would leave state and city legislative halls almost depopulated. Institution of mass trials would probably not be necessary as the conviction of several carefully-chosen, highly-placed betrayers would certainly filter the message down to other levels of legislative exploiters.

Article 3, Clause 1 of the Constitution permits judges to hold office *only during good behavior*. This should give the aggrieved citizen a cue for further action with respect to errant public servants. Remember too that judges took an oath to uphold the Constitution (Title 28 USC 453). We have allowed the usurpers to legislate madly for too long. It is now time for the citizen to awaken to both his rights and responsibilities regarding a government structure which is becoming a menacing and exploitive enemy.

In addition to law suits against carefully selected politicians, the Internal Revenue Service must be challenged. At the present time, there is a growing number of informed individuals who are refusing to pay income taxes. Among these courageous constitutionalists is Mr. Austin T. Flett, of 134 South LaSalle Street, Chicago, Illinois, 60603. Mr. Flett has not paid any income tax for about ten years, and to date, has successfully challenged the IRS on legal and constitutional grounds. Another challenger to the probate and income tax racket is Lucille E. Moran, who maintains that the entire Internal Revenue Statutes are a denial of our natural rights and a violation of due process of law.

In her book *How to Refuse Income Taxes Legally,*[2] Miss Moran outlines the step by step methods whereby Americans may use the Constitution, as well as natural law, for the protection of their property and self preservation.

Most of the “laws” now being passed by our multiple governments, (national, state and local) are unconstitutional, but the income tax is the place to hit, as the whole fraudulent system is based on usury and confiscation of the money of productive citizens by those who produce nothing. The Income Tax form violates your constitutional rights in demanding that the taxpayer sign the return under penalty of perjury.[3] Due process of law provides that a person may not be charged with a crime without being confronted by his accuser and without the presentation of adequate evidence by the state. This self-incrimination clause obviates the necessity by the government of having to gather or prepare adequate evidence because a confession of guilt has already been obtained from the criminal (e.g. the taxpayer) when he signed the return. Whatever happened to the concept that a man is innocent until proved guilty ? These tactics also violate the following amendments of the United States Constitution :

> Amendment V : No person may be compelled in any criminal case to be a witness against himself; nor be deprived of life, liberty or properly without due process of law: ...

Since hundreds of Communists and other criminals have availed themselves of this constitutional protection, why should it not apply to the rest of the citizens ?

> The Fourth Amendment guarantees the “right of the people to be secure in their persons, houses, papers and effects, against unreasonable searches and seizures.

If an IRS agent arrives at your office or home demanding to rummage through your business or private papers, refer him to Amendment Four which further states that :

> no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.

Any evidence which the IRS may wish to use against the taxpayer (criminal) must be obtained without your cooperation. How long do you think the IRS could continue to operate as it presently does if they were obliged to obey the Constitution ?

> Amendment VI provides that a citizen must be given the right to be informed of the nature and cause of the accusation; to be confronted with the witnesses against him.

The IRS is so contemptuous of the rights of citizens that it has established a method whereby an informer may cause an investigation of a taxpayer simply by relating his suspicions to an IRS agent by phone or letter or filing an informers form. He may then file a claim for ten per cent of any money collected as a result of this procedure. Furthermore, the informer’s identity is not revealed to the taxpayer defendant. How’s that for justice ?

Amendment VI guarantees the right of trial by jury in criminal cases. Tax cases involving fines and

jail sentences come under the category of criminal law and should never be heard by an administrative agency. Administrative bodies operate under their own rules and regulations (e.g. administrative) and not constitutional law. The Administrative Procedure Act of 1946 is an attempt to legalize illegality. It was passed by voice vote by a supine Congress so that no record of the voting could be made. Although the Act violates the Constitution at every turn, the American Bar Association meekly accepted this legislative outrage. Administrative law is now taught in law schools throughout the nation as the law of the land and the multiple administrative bureaus within the government structure are now functioning under color of law because of this unconstitutional legislation.

An even more devious method of bypassing the Constitution and establishing a dictatorship is found via the executive order route. These "orders" or legislative fiats by an executive are not passed by Congress but are ordered by the president. They are published in the Federal Register by the Office of Federal Register, National Archives and Records Service, General Services Administration, Washington, D.C. 20408, "under the authority of the Federal Register Act," approved July 26, 1935. (49 Stat. 500, amended. 44 USC Ch. 15.) With this illegal power the president can create new agencies, rule without Congressional approval and assume the powers of a dictator.

Another problem with tax cases is the lack of uniformity in decisions, even in cases where a similarity of circumstances may exist. This is highly discriminatory as it violates your rights to equal protection under the law.

Art. 1, Sec. 9, Clause 3 : Prohibits bills of attainder and ex post facto laws. A bill of attainder is a legislative act which inflicts punishment without a judicial trial. How many times do you feel that tax decisions in these administrative bodies have violated this provision of the Constitution ? An ex post facto law is one which is made retroactive. There are literally hundreds of acts by Congress, as well as decisions by various administrative bodies, which continually violate this provision that protects a citizen from prosecution for an act which was not unlawful when committed, but which was later made illegal. The whole unconstitutional system would dissolve if people were aware of their civil rights and demanded strict adherence to the Constitution.

Amendment XIII prohibits slavery and involuntary servitude. The forcing of individuals and business organizations to hire accountants and other personnel to keep books and collect taxes for the government without compensation constitutes involuntary servitude. Employers are now made felons if they refuse to collect income and social security taxes for the government.

> ARE YOU AN UNPAID TAX COLLECTOR FOR THE IRS ?
>
> 26 USC 7202 : **Willful Failure to Collect or Pay Over Tax** : Any person required under this title to collect, account for, and pay over any tax imposed by this title who willfully fails to collect or truthfully account for and pay over such tax shall, in addition to other penalties provided by law, be guilty of a felony and, upon conviction thereof, shall be fined not more than $10,000, or imprisoned not more than 5 years, or both, together with the costs of prosecution. Aug. 16, 1964, c. 736, 68 A.

Star. 851.

26 USC 7203 : Willful Failure to File Return, Supply Information, or Pay Tax. (You can go to jail for failure to file a return, keep records or supply information.)

Any person required under this title to pay any estimated tax or tax, or required by this title or by regulations made under authority thereof to make a return (other than a return required under authority of section 6015 or section 6018), keep any records, or supply any information, who willfully fails to pay such estimated tax or tax, make such return, keep such records, or supply such information, at the time or time required by law or regulations, shall, in addition to other penalties provided by law, be guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than $10.000, or imprisoned not more than one year, or both, together with the costs of prosecution. Aug. 16, 1954, c. 736, 68A. Stat. 851.

This is the type of administrative law and unconstitutional legislation which has been ground out in a continuing stream for decades. Anyone with a reasonable knowledge of the Constitution alone, would be able to defend himself against these tyrannical rules and regulations which make an ordinary citizen a criminal for failure to comply with arbitrary and illegal legislation.

There are also many other statutes which implement the Constitution and protect the citizen from the caprice and folly of government officials.

18 USC 241 is an example. This act is entitled Conspiracy Against Rights of Citizens. "If two or more persons conspire to injure, oppress, threaten or intimidate any citizen in the free exercise or enjoyment of any right or privilege secured to him by the Constitution or Laws of the United States or because of his having so exercised the same, ... they shall be fined not more than $5,000, or imprisoned not more than ten years, or both."

Although this law was enacted in 1870, it was upheld by the Supreme Court in 1966 Case No. 59 and 60, October Term, 1965, U.S. vs. Cecil Ray Price etal. The court's opinion stated : "The language of Sec. 241 is plain and unlimited. As we have discussed, its language embraces all the rights and privileges secured to citizens by all of the Constitution and all of the laws of the U.S."

You are the sovereign citizen, and public officials are your servants. There has been a remarkable drift away from these fundamental principles upon which our government was founded, but few politicians would dare publicly contradict these basic tenets. When violations occur in official acts, the time has now come for the people, to begin to pick up the reins of government and halt the drive toward a world dictatorship. The time for apathy has passed. George has been "doing it" for too many years, and he has failed miserably in his job. Now an informed America must begin the long process of restoring a constitutional republic which is our heritage—and the process of ridding ourselves of the political degenerates who would enslave us.

In dealing with the IRS there is another, largely unused, statute which has been designed to protect the citizen. Title 26 USC 7214 reads as follows :

OFFENSES BY OFFICERS AND EMPLOYEES OF THE UNITED STATES

(a) Unlawful acts of revenue officers or agents. Any officer or employee of the United States acting in connection with any revenue law of the United States—

(1) who is guilty of any extortion or willful oppression under color of law; or

(2) who knowingly demands other or greater sums than are authorized by law, or receives any fee, compensation, or reward, except as by law prescribed, for the performance of any duty; or

(3) who with intent to defeat the application of any provision of this title fails to perform any of the duties of his office or employment; or

(4) who conspires or colludes with any other person to defraud the United States; or

(5) who knowingly makes opportunity for any person to defraud the United States; or

(6) who does or omits to do any act with intent to enable any other person to defraud the United States; or

(7) who makes or signs any fraudulent entry in any book or makes or signs any fraudulent certificate, return, or statement; or

(8) who, having knowledge or information of the violation of any revenue law by any person, or of fraud committed by any person against the United States under any revenue law, fails to report, in writing, such knowledge or information to the Secretary or his delegate; or

(9) who demands, or accepts, or attempts to collect, directly or indirectly as payment or gift, or otherwise, any sum of money or other thing of value for the compromise, adjustment, or settlement of any charge or complaint for any violation or alleged violation of law, except as expressly authorized by law so to do :

Shall be dismissed from office or discharged from employment and, upon conviction thereof, shall be fined not more than $10,000 or imprisoned not more than five years, or both. The court may in its discretion award out of the fine so imposed an amount, not in excess of one-half thereof, for the use of the informer. if any, who shall be ascertained by the judgment of the court. The court also shall render judgment against the said officer or employee for the amount of damages sustained in favor of the party injured, to be collected by execution.

A few additional points may be helpful in dealing with IRS tyranny. The taxpayer must be advised of his legal rights and should be entitled to council provided at government expense. Remember, those who rule must obey the law, and internal revenue agents are no exception. They may not use force or threats in connection with income tax collection. Furthermore, if a lien is filed against property, the case should be taken out of the category of administrative law and placed before a court. The Constitution provides that the defendant is entitled to a speedy and quick trial in criminal cases. This would preclude the harassing and delaying tactics used by the IRS to coerce people into accepting their unscrupulous decisions. Another point to remember is that any threat sent through the mail by the IRS or any other governmental agency may be used as testimony in court if the citizen-victim is intimidated or threatened.

In addition to constitutional grounds, we should refuse to pay our income tax for the following

reasons :

THE INCOME TAX IS LEGALIZED THEFT

1. It was never intended as a device to raise revenue for the government, but was designed as the means of paying for the bonds which are issued by the government in exchange for worthless Federal Reserve Notes.

2. The income lax is unnecessary. The income tax could be abolished if we restored the money-issuing power to Congress as provided in Art. 1, Sec. 8, Para. 5 of the Constitution. Money would then be **spent into circulation** debt free and would circulate for years without the necessity of paying interest on it.

3. The government functioned for 137 years without an income tax. It can do so again.

4. The income tax is discriminatory and denies due process and equal protection of the laws. It was designed to confiscate the earnings of the "have nots," e.g. the productive middle and working classes and permit the "haves," (the wealthy) to escape from this form of taxation through such tax-dodging devices as foundations, trusts, etc.

5. The income tax exists because of our antiquated, unconstitutional, usurious and immoral money system.

6. The progressive, graduated income tax is the second plank in Karl Marx's Communist Manifesto.

7. The Income Tax Amendment was passed in February, 1913, in anticipation of the passage of the Federal Reserve Banking Act which followed in December of that year. The existence of this privately-owned, money-issuing monopoly handed the control of the economy of the United States over to this criminal cartel.

8. The United States is doomed to eternal debt and eventual bankruptcy because every dollar needed for expenses or even debt retirement **must be borrowed at interest** from this unconstitutional monopoly.

9. The Federal Reserve Banks pay no income tax (12 USC 531) although their income from the INTEREST ON THE NATIONAL DEBT ALONE NOW AMOUNTS TO OVER $19 BILLION PER YEAR.

10. The Income Tax Amendment requires that a tax be paid on income. Can Federal Reserve Notes or bank-created credits through bookkeeping entries be properly called income ? By definition, Federal Reserve Notes are obligations of the United States (12 USC 411). This means that bills of credit or circulating debts constitute our medium of exchange. Can a debt be considered income ?

A growing number of people are becoming aware of the nature of the Federal Reserve conspiracy and are attempting to alert others into an understanding of the basic causes of multiple perils now facing our nation. Attorney Jerome Daly was the first person to legally test the validity of Federal Reserve Notes in court. This case was heard in the Township of Credit River, Minnesota, County of Scott, and decision was rendered by Judge Martin V. Mahoney on Dec. 7, 1968. Suit was brought against Mr. Daly by the First National Bank of Montgomery to recover possession of

property on which the mortgage had been in default at the time foreclosure proceedings were started. Mr. Daly contested Plaintiff's title because of the failure of a lawful consideration supporting the Note and Mortgage. The $14,000 note was secured by a bookkeeping entry and therefore ruled null and void and of no effect. In other words, no actual money had ever been loaned, it was merely a credit entry or creation by the bank. On the appeal it was necessary to tender two Federal Reserve Notes to the court. Judge Martin V. Mahoney refused to accept the Federal Reserve Notes and ruled that they were contrary to the Constitution which gives Congress the power to coin money and regulate the value thereof, and therefore unlawful and void. He further stated that "the creation of money and credit by bookkeeping entries is unconstitutional and void."

Another attorney, Mr. Mobley Millam, resigned his position in 1968 as Chief Assistant U.S. Attorney for the Southern District of California to test the legality of Federal Reserve Notes. He filed suit against the U.S. Government and the Federal Reserve System on Oct. 31, 1969. Defendants defaulted by not appearing in court but another suit is now pending.

At the time of filing, Attorney Millam stated : "Most people do not know it but the Federal Reserve is privately owned and its owners are not only getting rich at our expense but are also creating the huge public debt which is the basic cause of the inflation which is tearing this country apart."

VALIDITY OF FEDERAL RESERVE NOTES AS VIEWED BY SOME WELL-KNOWN STOCK MARKET ANALYSTS

C.V. Myers
Myers Financial Review
903 Lancaster Bldg,
Calgary, Alberta, Canada
(Sept. 5, 1969)
Federal Reserve Notes are not lawful money within the contemplation of the United States Constitution and are null and void.

Harry Schulz
The Harry Schulz Letter
170 Sloane St.
London, S.W., England
(Sept. 4, 1969)
The questionable legality of $-bills issued by the Federal Reserve Bank (not to mention the questionable desirability of the FRB itself) may become the greatest issue of our times.

Maj. L.L.B. Angas
Digest No. 496
Saxtons River, Vermont 06154
(Feb. 28, 1970)

The purpose of this Debate 25 (Dig. 496) is to show : the complete idiocy of a MONEY SYSTEM whereunder money is LOANED into circulation as in England and USA. (Issuing of the Money-Supply should be completely divorced from the demand for new loans.)

The ground has been broken by these few courageous and far-sighted individuals in attempting to challenge the stranglehold of this legalized crime syndicate. American people are now beginning to find out about the magnitude of the betrayal which has made the financial rape of this nation possible. The secret is leaking out and the government monopolists are getting nervous. It is our turn now to apply pressure on them until they rectify the iniquities they have inflicted on our nation. Our country has been stolen from us by these criminal money monopolists and their evil political collaborators. We must now take it back. The money mafia must be stripped of its usurious power and its illegally-obtained wealth confiscated to pay back some of the staggering debts they have inflicted upon our nation and its citizens.

A review of the political program which has been relentlessly pursued for generations reveals its reactionary and feudalistic character :

THIS IS COMRADE X's PLATFORM
(the platform advocated by big money and its acquiescent agent, big government)

1. My party will rule the world. Abolition of all other political parties.
2. Abolish all private property.
3. Abolish the family : children to become property of and raised by the state.
4. Abolish all vestiges of religion and morality.
5. Institute total regimentation of education. No view conflicting with those advocated by the state will be permitted.
6. Institute class warfare : everyone must hate and be suspicious of everyone else—even child against parent. Remember Jerry Rubin recently advocated that children kill their parents.
7. Total regimentation of industry : workers will be assigned jobs. Working conditions and pay will be regulated by the state. No right to change jobs permitted without consent of government. Abolition of unions.
8. Nationalization of all transportation and communications.
9. Nationalization of all banking and the establishment of a central bank under party control. (We already have the central bank in the Federal Reserve Banking System.)
10. Government control of all housing.
11. Incidentally, we will also have to kill Forty or fifty million of your countrymen to achieve our glorious revolution. Your cities and countryside will be burned and destroyed.
12. From the anguish, terror and devastation, the remaining population will turn to our party for the restoration of law and order—Communist style.

How many votes do you think Candidate X would get with this platform ? Over one billion people in 59 countries didn't cast a vote either, but they are now living under Comrade X's ruthless party. [4] The people didn't vote, but their leaders did. This figure does not include the United States

which has acted as financial guarantor for the exportation of Comrade X's weird and barbaric political system.

This has been the official political program that many Washington politicians have been consistently following for the last several decades. Don't you think it's about time for a change ?

Now look at the platform which a Constitutionalist, and pro-American party could offer :

1. Abolition of the Income Tax.
2. Abolition of estate, death, gift and inheritance taxes.
3. Creation of a constitutional monetary system.
4. Nationalization of the Federal Reserve Banking System and abolition of all its privately-owned stock.
5. Creation of a stable dollar through the adoption of a monetary index to which issuance of money would be geared. This issuance to be in accordance with the productive needs of the nation. We would never again be faced with an artificially created money shortage with its attendant boom and bust cycles and high interest rates.
6. Abolition of war as an instrument of national policy. Wars would be outlawed EXCEPT in the event of an invasion or attack upon the United States.
7. Abolition of the draft. The armed services to be rebuilt and strengthened. All subversives and traitors to be dealt with in accordance with the penalties provided in the Constitution for such crimes. Armed services to be maintained upon a voluntary, and professional basis with pay scales equal to those of private industry.
8. Abolition of all treaty-making powers of President and/or Senate. We will no longer permit a handful of privileged tyrants to bind us to wars and continued financial exploitation for the empire-building plans of the international money pool or any other group. A strict adherence to the Constitution would have made all our foreign wars impossible. We are bound to defend ourselves only, on our own shores, against invaders. Had we remained strong and unaligned, we would have had no wars. By outlawing war as an instrument of national policy and abolishing the treaty-making power, no executive could make secret deals to commit our nation to armed intervention on behalf of any nation in the world.
9. Withdrawal from the United Nations and the expulsion of that sinister organization from our shores.
10. Immediate abolition of all foreign aid, and appropriations to any organization, group, nation, combine or agency within this or any other government. All forms of foreign subsidy outlawed. Over 70 per cent of our tax money now goes to pay for department or agencies, directly or indirectly concerned with foreign affairs. This includes our perpetual wars, defense budget, veteran payments, and foreign aid and other concealed appropriations within a multitude of budgetary headings.
11. Abolition of all unconstitutional government activities. This would include the dismantling of all the socialist agencies which are illegally meddling in the lives of the citizens.
12. Removal of the national government from such areas as education, health, welfare, foreign trade, agriculture, and all other activities not specifically mentioned in the Constitution. These problems to be dealt with at local levels and by private industry.
13. Removal of government from all business activities in which they are now engaged. Permit private enterprise to develop the vast potential which lies ahead for the nation and world without the

reactionary and repressive, ever-present hand of the bureaucrat.

14. Abolition of lawmaking via the executive order route, by outlawing executive orders.

15. Abolition of poverty, hunger and tyranny. These goals will be achieved when the vast potential of competitive, free enterprise is permitted to attack these problems on a rational and non-political basis.

The future direction of our nation, our lives and those of generations yet to come depend on the decisions that an awakened America makes now.

WHICH PARTY WILL YOU CHOOSE ?

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1. Remarks made by Rep. Otto E. Passman at the Liberty Lobby Rally, April 4, 1970, in Los Angeles, California.

2. Available from : Lucille E. Moran, P.O. Box 641, Tavernier, Florida, 33070. ($1.25).

3. Because of the pressures by informed citizens regarding the requirement to sign under penalty of perjury, it is no longer required. See *Everyman's Income Tax*, 1969, published by the Commerce Clearing House, Chicago, Illinois, p. 65. (No document going to the IRS need be signed under penalty of perjury.)

4. *Scoreboard, Communist Influence as Percentage*, Belmont, Mass, *American Opinion*, July-August, 1970. (The 59 countries were those where Communist influence is indicated in this survey as being 90 per cent or more.)